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Financial Report Fiscal Year 1992

U.S. Department of Labor

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Secretary's Message

The Labor Department was active on a variety of fronts under the leadership of then Secretary of Labor Lynn Martin in Fiscal Year 1992, with workforce quality, opportunity and job-safety the priority concerns. The Department moved forward with its glass ceiling initiative to dismantle barriers that keep qualified women and minorities from realizing their full potential in their careers. Steps taken to break down such barriers included increased emphasis on small- and medium-sized businesses and creation of a Glass Ceiling Commission to study the small number of women and minorities in the corporate hierarchy. The Job Training Partnership Act, the nation's major federally-funded program to help people succeed in the labor market, was amended to improve the delivery of services to youth and adults most in need of assistance. Significant job safety activities included a record $10 million penalty under the Occupational Safety and Health Act and successful criminal prosecutions of individuals and companies charged with tampering with coal dust samples used to protect miners against black lung disease.

The incoming Clinton Administration achieved one of its major early objectives with passage in the Spring of 1993 of the Family and Medical Leave Act. This legislation will protect the jobs of workers who need to take time off for the birth or adoption of a child or for family medical reasons. It will also encourage the development of the kind of high performance work organizations the nation must have if it is to remain competitive in a global economy.

The Administration's support of the Family and Medical Leave Act reflected its belief that the American workforce is our most important national asset. To make the most of that asset, we need not only more jobs for our citizens but higher-wage jobs, and business organizations that foster them by continuously upgrading their workforces and providing safe and rewarding work for all their employees.

The specific goals I have set for the Labor Department are in keeping with those broad objectives.

The first goal is to provide a path to good jobs for the 75 percent of our young people who do not complete four years of college. In today's more demanding job market, the real wages of these young workers are lower, and their career prospects bleaker, than they would have been had they entered the labor force years earlier.

The second goal is to help workers who have permanently lost their jobs make a successful transition to new ones. This challenge is growing as the American economy changes fundamentally through the development of labor saving technologies, the permanent down-sizing of certain industries and large corporations, the contraction of national defense industries, and the ever greater scope of global trade and investment.

The third goal is to foster business organizations that create career ladders toward high wage jobs even for those without university degrees. Otherwise, the wage and benefit gap between those who have college degrees and those who don't will continue to widen.

Our fourth goal is to foster the creation of jobs which are good not only because they pay well but also because they provide a good work environment. High performance work organizations — companies in the vanguard of American industry — respond to the growing needs of single parents and two income families by offering parental leave, child care and elder care. They do not discriminate on the basis of race, gender or disability. They provide all employees with safe and healthy workplaces. And they ensure that all their employees have adequate incomes when they retire.

In striving to reach these goals, the Labor Department will be contributing to the well being of all Americans who work, who want to work, who must work. It will truly be the Department of the American Workforce and the center of America's strategy for economic growth.

Robert B. Reich

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About The Department

Created by a law signed by President William H. Taft on March 4, 1913, the U.S. Department of Labor is one of the oldest cabinet level departments in the federal government.

Mission

The mission of the Department of Labor is to foster, promote and develop the welfare of the wage earners of the United States, to improve their working conditions and to advance their opportunities for profitable employment. In carrying out this mission, the Department administers a variety of Federal labor laws guaranteeing workers' rights to safe and healthful working conditions; a minimum hourly wage and overtime pay; workers compensation; freedom from employment discrimination and unemployment insurance. The Department also protects workers' pension rights; provides for job training programs; helps workers find jobs; helps employers find workers; works to strengthen free collective bargaining and keeps track of changes in employment, prices, and other national economic measurements.

During FY 1992, the Department focused its resources in a variety of areas that support its overall mission to promote and develop the welfare of American workers. Among them were improving the development and delivery of training programs that give workers the skills they need for good jobs in a changing work environment; ensuring that work places are safe and healthful environments; protecting retirement benefits earned during years of work; encouraging quality management practices and work place organization that improve productivity and manager worker cooperation; requiring that all workers have an equal opportunity to compete for and hold jobs and that none are discriminated against because of race or sex; and changing the department itself into a high performing organization that respects the needs and values the abilities of each employee.

Soon after the end of the fiscal year, the presidential election brought a new administration and some new directions for Department programs. Among the priorities of the new Secretary are providing a career path—including a school-to-work transition and national skill standards—for the 75 percent of our young people who do not complete 4 years of college; a comprehensive assistance program—including assessment, counseling, training and placement—for workers who have lost their jobs for any reason; a partnership with the private sector to develop high wage, high skill jobs even for those without university degrees and encouraging the spread of high performance work organizations that see their employees as assets to be valued, not costs to be minimized.

The following are DOL agencies and staff that work to accomplish the Department of Labor's mission.

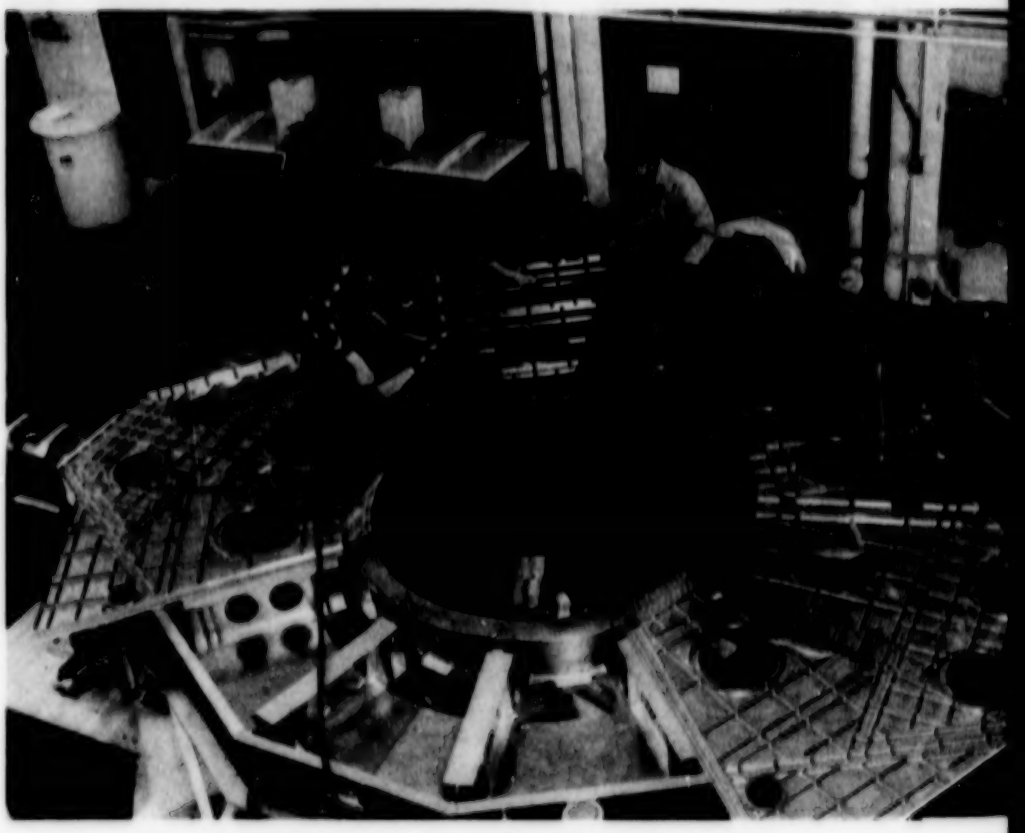
The Employment and Training Administration (ETA) funds training programs enabling workers to gain the skills needed for employment; it oversees state employment service offices which help people find jobs and employers find workers; and it offers income maintenance programs for workers who lose their jobs through no fault of their own. Special efforts are made to meet the unique job market problems of older workers, youth, minority group members, women, the handicapped and others.

The Employment Standards Administration (ESA) enforces a variety of statutes which prescribe standards and conditions of employment, i.e., minimum wages, child labor restrictions, overtime pay, migrant and agricultural worker protections, immigration and other employment standards. It enforces non-discrimination regulations for federal contractors and manages workers' compensation programs for federal employees, longshore and harbor workers, coal miners and some other groups.

The Office of Labor-Management Standards (OLMS) administers and enforces provisions of the Labor Management Reporting and Disclosure Act of 1959, as

amended, which is applicable to labor unions, employers, labor relations consultants and standards of conduct regulations applicable to most Federal employee unions.

The Occupational Safety and Health Administration (OSHA) ensures safe and healthful working conditions for American workers by promulgating workplace safety and health standards and enforcing compliance by inspecting places of employment. It also provides consultation, training and information services for employers and employees to promote voluntary compliance for safe and healthful workplaces. Statistics are published on occupational injuries and illnesses, and matching grants are provided to assist states in administering and enforcing occupational safety and health programs.



The Mine Safety and Health Administration (MSHA) strives to improve the working conditions of the nation's miners by establishing health and safety standards, enforcing compliance with the standards, promoting health and safety education and training in the mining community.

The Pension and Welfare Benefits Administration (PWBA) is responsible for administering Title I of the Employee Retirement Income Security Act (ERISA) and certain sections of the Federal Employees' Retirement Act of 1986. It is responsible for regulation, enforcement and research to protect more than 200 million participants in 730,000 private sector pension plans and 4.56 million private sector welfare benefit plans with $2.2 trillion in assets.

The Bureau of Labor-Management Relations and Cooperative Programs (BLMRCP) promotes cooperation between labor and management to improve productivity and the quality of work life.

The Bureau of International Labor Affairs (ILAB) carries out the Department's international responsibilities and assists in formulating international economic, trade and immigration policies affecting American workers.

The Women's Bureau promotes the welfare of wage earning women, and seeks to improve their working conditions, increase their efficiency and advance their opportunities for profitable employment.

The Bureau of Labor Statistics (BLS) is the principle fact-finding agency in the Federal government in the broad field of labor economics. The BLS regularly collects, processes, analyzes and publishes timely and accurate data on employment, unemployment, wages, occupational outlook, prices, productivity and job safety and health. It also develops important information on labor market demographics and projections of economic growth.

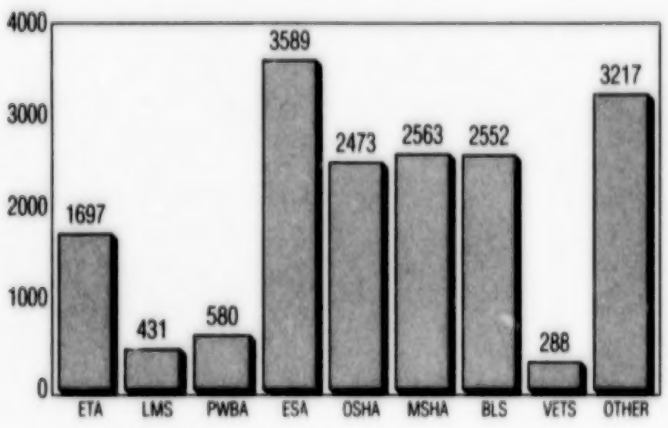
The Assistant Secretary for Veterans' Employment and Training (ASVET) ensures that military veterans receive the employment preference and training to which they are entitled by law and enforces veterans' reemployment rights laws.

The President's Committee on Employment of People With Disabilities (PCEPD) is among the Nation's leading organizations in the study, development and implementation of employment policies and programs serving the needs of people with disabilities and the nation's employers. It strives to achieve maximum employment of people with physical and mental disabilities through the elimination of barriers to their employment. This is achieved by

developing educational, informational, and technical assistance programs and making them available to employers, people with disabilities and all organizations interested in the employment of people with disabilities.

U.S. Department of Labor

Staff Years by Function
FY 1992



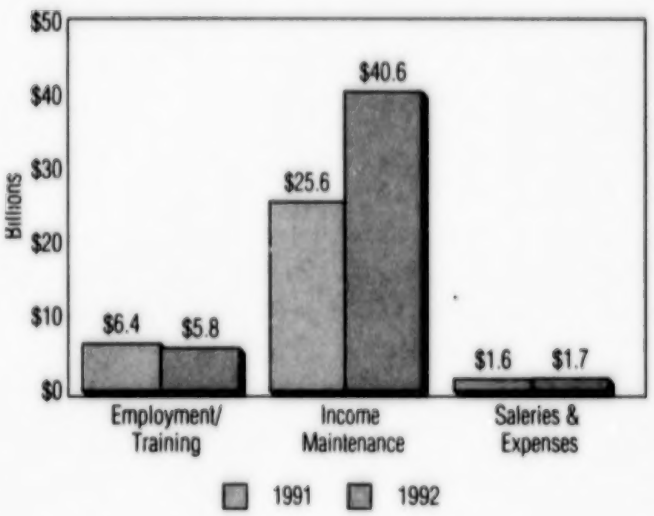
The Office of Inspector General (OIG) administers provisions of the Inspector General's Act for the Department of Labor. Through an independent, comprehensive program of audits and investigations, the Office focuses on the efficiency and effectiveness of the Department's programs and preventing or detecting fraud, waste and abuse.

Most of the information in this report concerns fiscal year (FY) 1992 which ran from October 1, 1991 through September 30, 1992. However, some programs within the Employment and Training Administration are funded by program year (PY). PY 1991 began on July 1, 1991 and ended on June 30, 1992. Other information, such as certain statistical data from the Bureau of Labor Statistics is calculated for the calendar year 1992.

The activity based performance measures included in this document do not necessarily correspond to attainment of statutory goals.

U.S. Department of Labor

Budget Authority by Function



(These figures differ from the budgetary resources displayed on the financial statements because budgetary resources include prior-year unobligated balances as well as new budget authority.)

Income Maintenance

At some time in their careers, many Americans find their income interrupted. Whether their problems are caused by lay-offs, on-the-job injury or foreign imports, these workers need help.

One of the Department's key goals is to empower workers to be able to adapt to labor market change. In keeping with its mission to assist the welfare of its wage earners, the Department administers several programs to protect America's workers who need special help when their income is interrupted through no fault of their own. These programs include unemployment compensation, workers' compensation and trade adjustment assistance.

Unemployment Insurance Program (ETA)

The Unemployment Insurance (UI) program establishes the first economic line of defense for workers who lose their jobs through no fault of their own. Authorized by the Social Security Act of 1935, it was created as a means to alleviate personal hardship due to involuntary unemployment and to stabilize the economy. The UI system is a unique Federal-State partnership grounded in Federal law but executed through State law by State officials. It is funded through employer taxes paid into the Unemployment Trust Fund. Basic benefits for unemployment compensation are financed by State taxes on employers' payroll while benefit costs for ex-federal workers are reimbursed by Federal agencies.

The UI program is administered by the States through a network of approximately 2,000 local UI claims offices, as well as a central office in each State. These State employees are responsible both for the payment of unemployment compensation benefits and for the collection of taxes from all subject employers. In FY 1992, $2.53 billion were provided for State administration of the UI program.

In FY 1992, the total unemployment rate averaged 7.3 percent with an insured unemployment rate of 3.2 percent. It is estimated that over 104.9 million workers were covered by the UI program and 9.9 million workers received benefits during FY 1992.

The UI program experienced a $12.3 billion increase in benefit payments from FY 1991. This increase was caused by the November 1991 enactment of an Emergency Unemployment Compensation program, providing up to 33 additional weeks of benefits for exhaustees of the regular UI program.

In FY 1992, the State agencies collected $17.6 billion in State taxes from the 5.75 million subject employers, and paid $37.5 billion in benefits under the Federal and State regular and extended unemployment compensation programs. In FY 1991, the UI program paid 89.7% of its first time intrastate claims within 14 days.

On an accrual basis, state and Federal tax revenues totaled $21.5 billion in FY 1992. Accrued benefits payments and other expenses totaled $39.2 billion in FY 1992. At the end of FY 1991, the Unemployment Trust Fund balance was $28.1 billion; it declined by about $13.0 billion, to a net position of $15.1 billion, by the end of FY 1992.

Workers' Compensation (ESA)

The Labor Department administers three major disability compensation programs that provide compensation for workers who are injured or who contract a job related disease, or survivors of employees in cases of death from job-related injuries or diseases.

During FY 1992, the Department provided over $2.4 billion in medical and wage loss benefits to over 382,000 workers who had been hurt or became ill on the job.

Federal Employees' Compensation (ESA)

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection for job related injuries, diseases, or deaths of civilian employees of the Federal government and certain other designated groups. Benefits are charged back to the Federal employers, who pay from funds appropriated in their annual budgets or from their operating revenues. During FY 1992, FECA received 177,329 Federal employees injury reports. In FY 1992, 91.5% of traumatic injuries were adjudicated timely (within 45 days), and 81.1% of the nontraumatic injury cases were adjudicated timely (within 180 days).

In FY 1992 the FECA program launched a Periodic Roll Management project aimed at quality management of the disability roll, improvement in service to long-term disabled beneficiaries, rehabilitation and reemployment of the partially disabled, and adjustment of benefits to accurately reflect eligibility. Preliminary results from the first four months of the project indicate that savings are being accomplished at a faster rate than predicted.

Longshore and Harbor Workers Compensation (ESA)

The Longshore and Harbor Workers' Compensation Act (LHWA) provides for long-term compensation benefits and medical payments for job related injuries, diseases, or death of private-sector workers in certain maritime and related employment. These benefits are paid directly, from private funds, by an authorized self-insured employer, or through an authorized insurance carrier. In FY 1992, about 100,000 maritime workers or their survivors received benefits from employers. Another 6,500 workers also received benefits from the Longshore Special Fund.

Coal Mine Workers (ESA)

The Labor Department provides black lung compensation medical and survivor benefit expenses to coal miners who are totally disabled due to pneumoconiosis arising out of their coal mine employment. When no responsible mine operator can be assigned liability for such benefits, or when coal mine employment ceased prior to 1970, benefits are paid from the Black Lung Disability Trust Fund.

In FY 1992, the Black Lung program provided monthly benefits to nearly 83,000 beneficiaries while almost 33,500 beneficiaries received medical benefits only. In FY 1992, the program continued its high level of performance issuing 97% of initial findings on claims timely.

Financial Resources and Results of Operations

Expenses for income maintenance were $44.1 billion in 1992, an increase of $11.8 billion from the 1991 level of $32.3. This increase was primarily due to the operation during 1992 of the Emergency Unemployment Compensation (EUC) program.

Employment and Training Programs

One of the key goals of the Department is to advance the future of America's workers by promoting improvements in training of our nation's working women and men, and by fostering changes in skill levels to expand future job choices.

The Employment and Training Administration (ETA)

ETA administers and oversees a variety of employment and training programs designed to assist current and future workers. Assistance is directed at training and finding jobs for disadvantaged youth and adults in order to make them fully productive members of society.

Basic Employment and Training Programs

ETA administers and oversees a number of basic employment and training programs designed to assist both the unskilled and the economically disadvantaged to get the training and other services needed to become employable. The programs consist of adult and youth programs, summer youth programs, and Job Corps all funded by the Job Training Partnership Act (JTPA) and apprenticeship programs.

The JTPA goals for PY 1992 were to: (1) target services to a more at-risk population; (2) improve the quality and intensity of services that lead to long-term employability and increased earnings; (3) place greater emphasis on basic skills acquisition to qualify for employment or advanced education or training; and (4) promote comprehensive coordinated human resource programs to address the multiple needs of at-risk populations.

Adult and Youth Programs

During PY 1992, ending June 30, 1993, approximately $1.8 billion in Federal funds were distributed to State governments to serve economically disadvantaged adults and youth. By law, States retain twenty-two percent of the Federal money for Statewide activities, and distribute the balance to the 649 Service Delivery Areas (SDAs). These programs offer basic skills and job training, along with supportive services. Private Industry Councils (PICs) composed of business, labor and other community leaders direct local JTPA programs. PIC members are appointed by local elected officials. A little over one million participants were served in this program in PY 1991 compared to just under 1.1 million in PY 1990, and 1.2 million in PY 1989. The major reason for the decrease in the number of participants results from the increasing periods of time participants are spending in the program.

Summer Youth Program

In addition to gaining work experience, summer youth program participants are evaluated to determine if they meet local educational standards. Those who do not meet those standards, may be enrolled in remedial education as part of their summer program. It is hoped the extra education will provide the basic skills needed for academic success during the regular school year.

For the Summer Youth employment and training program, $683 million was appropriated in FY 1992 for the summer of 1993. During the summer program of 1992, over 782,000 youth participated in the program, compared to over 555,000 in the summer of 1991. This increase results from a supplemental appropriation of $500 million, which increased total budget authority to $1.183 billion for the summer of 1992.

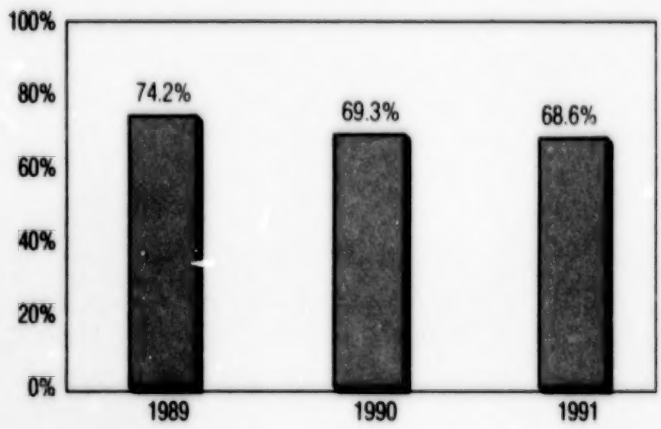
Job Corps

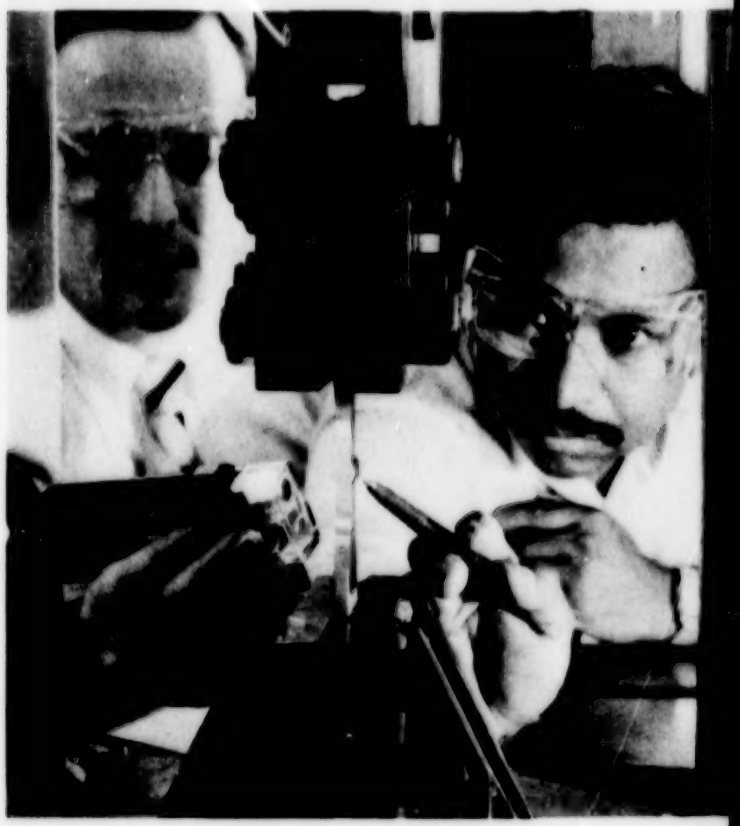
The Job Corps program is a highly intensive, primarily residential training program for severely disadvantaged youth aged 16 through 21. Enrollees are offered housing, food, medical care, education, vocational training and supportive services. The program prepares youth for stable, productive employment, and/or entrance into vocational and technical schools, junior colleges and other institutions for further education and training.

In PY 1991, there were 108 centers in 43 States, Puerto Rico and the District of Columbia. These centers are operated through contracts with private contractors, and with the Interior and Agriculture Departments for thirty Civilian Conservation Centers. In PY 1992, Job Corps' funding was $919.5 million to support 108 centers and 64,919 new enrollees.

Job Corps Placement Rate

Program Year





The percentage of Job Corps enrollees placed in jobs after completion of the program was 68.6 percent in PY 1991, compared to 69.3 percent in PY 1990. The decline in Job Corps placement rates over the 1989-1991 period was reflective of overall labor market conditions.

Apprenticeship Training

Although apprenticeship training is not Federally funded, ETA's Bureau of Apprenticeship and Training promotes apprenticeship and allied training in various industries, recommends and approves apprenticeship program standards and provides technical assistance to program sponsors. It is estimated that approximately 300,000 apprentices participate in 47,000 registered programs annually.

Assistance for Dislocated Workers

The dislocated worker activities conducted by the Department encompass programs for dislocated workers in general along with special programs for those impacted by increased imports, defense downsizing and the Clean Air Act.

Trade Adjustment Assistance provides job readjustment services including skills and remedial training, job search,

relocation assistance, and income support to workers who lost their jobs because of increasing trade imports.

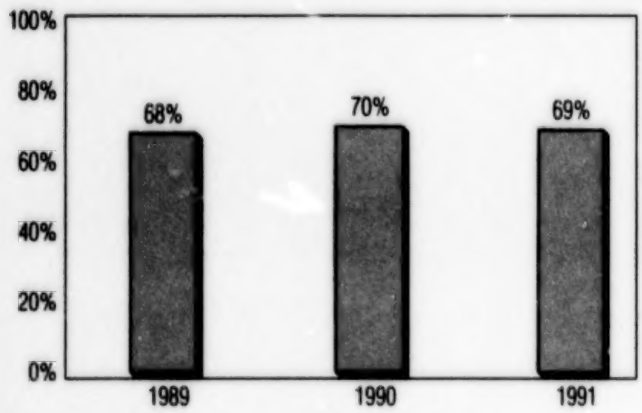
In FY 1992, almost $43 million was expended to provide more than 8,700 workers with weekly income support under Trade Readjustment Assistance (TRA). The TRA expenditure level for FY 1992 was abnormally low because many TRA eligible claimants were paid extended unemployment compensation in lieu of TRA. Additionally, $70 million was expended to provide training for over 18,500 workers, job search assistance to about 600 workers and job relocation payments to 750 workers.

Economic Dislocation and Worker Adjustment Assistance grants are awarded to States through a statutory formula (80 percent of the funds) and through competitively awarded discretionary grants (the remaining 20 percent). EDWAA provides training and reemployment assistance to dislocated workers — those losing jobs through plant closings and mass layoffs, and unemployed individuals with little prospect of returning to their previous occupations.

Approximately 330,000 dislocated workers were served in PY 1991 with funding of $527 million. Expenditures during PY 1991 totalled $482 million. The number of participants served in PY 1990 was 290,000 compared to 235,000 in PY 1989.

Economic Dislocation and Worker Adjustment Assistance

Entered Employment Rate



Defense Conversion Adjustment Program is designed to provide occupational retraining and other services to workers dislocated by defense downsizing. It provides educational and occupational skills training; readjustment services; and needs-related payments to enable workers to participate in retraining activities. During FY 1992, a total of $150 million was available to serve these workers.

Clean Air Employment Transition Assistance, established in FY 1992, is a national discretionary program designed to target funds to areas experiencing major dislocations caused by compliance with the Clean Air Act. The services available to these workers include educational and occupational skills training, readjustment services and mandatory needs-related payments to enable the workers to participate in retraining activities. In FY 1992, a total of $50 million was available to provide services.

Special Employment and Training Programs

These special activities include Indian and Native Americans, Migrant and Seasonal Farmworkers, Homeless and Older Worker programs. These programs offer basic skills training, job training and supportive services to these special targeted groups.

Indian and Native American Programs are designed to provide a wide range of job training and supportive services to Indians and other Native Americans to improve their employability and to help them secure permanent employment.

For PY 1991, the Indian and Native American program had a total funding of $59.6 million and served 26,699 participants with an entered employment rate of 52%.

Migrant and Seasonal Farmworker Program assists migrant and seasonal farmworkers and their families by providing training and supportive services who seek stable year-round employment at a liveable wage, and improving the living standard of those who remain in the agricultural market.

In PY 1991, the Migrant and Seasonal Farmworkers program was funded at $70.3 million and served 48,500 participants with an entered employment rate of 72%.

Job Training for the Homeless, a demonstration project authorized by the McKinney Act, examines innovative and comprehensive strategies and approaches for increasing employment opportunities and improving job retention and attainment of permanent housing for homeless persons.

During FY 1991, over 7,300 persons were served with a 35% success rate.

Older Americans Program, authorized by the Older Americans Act, provides subsidized part-time work opportunities in community service activities for unemployed low-income persons aged 55 and over. One major objective of the program is to obtain unsubsidized employment for at least 20 percent of the participants. This objective has been reached consistently. For PY 1991, approximately 64,000 positions were available which served approximately 94,000 individuals with funding of $390 million.

Employment Services

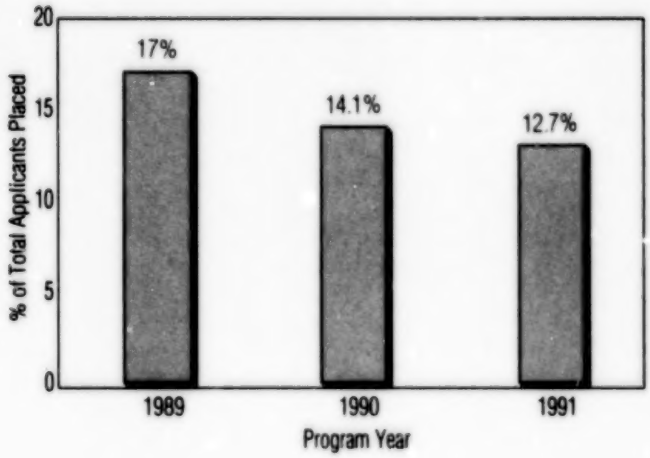
The U.S. Employment Service seeks to match individuals seeking employment with employers seeking workers. It is funded through Federal employer taxes paid into the Unemployment Trust Fund. Employment Service programs operated by States are authorized by the Wagner-Peyser Act of 1933, as amended.

The Employment Service operates in over 1,800 local offices in States, Puerto Rico, Virgin Islands, District of Columbia and Guam. State Employment Services also administer programs through reimbursable agreements with the Department of Labor, such as the Alien Labor Certification program.

Over $780 million was expended for basic Employment Service operations in PY 1991, and an additional $87 million was provided for a number of nationally sponsored activities in FY 1992. In PY 1991, 20.4 million job applicants sought employment services, compared to 19.2 million in PY 1990. State public employment service offices received 5.6 million job openings compared to 5.7 million in PY 1990.

Employment Service

Placement Rate



There were 7.6 million applicants referred to jobs in PY 1991, compared to 7.5 million in PY 1990. The total number of individuals placed in jobs in PY 1991 was 2.6 million versus 2.7 million in PY 1990, and the placement rate decreased over the period due to a decline in the number of job orders received from employers. Total individuals placed in permanent jobs (150+ days) in PY 1991 was 1.8 million versus 1.7 million in PY 1990.

Veterans' Programs (ASVET)

The Office of the Assistant Secretary for Veterans' Employment and Training (ASVET) develops and promotes training and employment opportunities for the nation's veterans with special emphasis on assisting disabled and Vietnam-era veterans. To help accomplish these goals, the ASVET administers two major veterans' programs through the Veterans' Employment and Training Service (VETS): the Disabled Veterans' Outreach Program (DVOP) and the Local Veterans' Employment Representative (LVER) program. In FY 1992, under these two State grant programs, $152 million was made available for State employment security agencies to utilize for these two grant programs. These funds were sufficient to fund 3,177 State DVOP and LVER positions. In FY 1992, approximately 2.7 million veterans registered for assistance (job counseling, testing, referral and placement).

In addition, VETS administers the Veterans' Reemployment Right (VRR) program, which secures reemployment or job related benefits for veterans, reservists and National Guard members. FY 1992 was also the first year that the Transition Assistance Program (TAP) was fully operational on a nationwide basis. Through this program, service members separating from active military duty are provided assistance in making the transition back to civilian life.

Employment of People with Disabilities

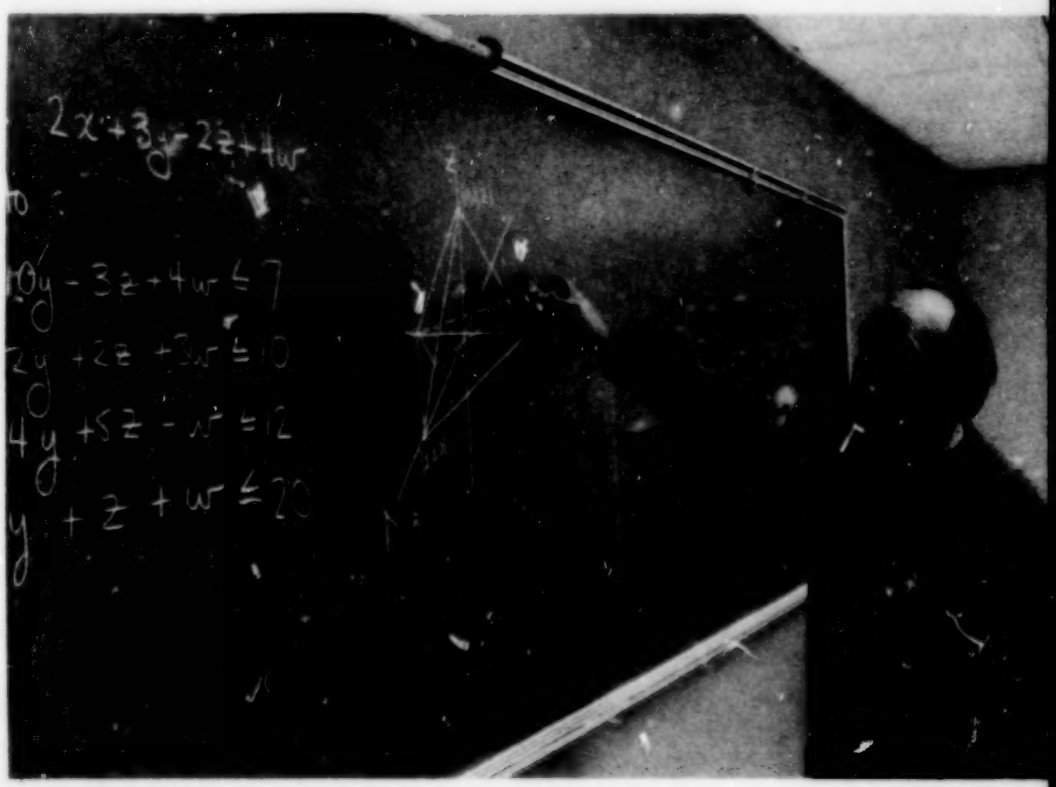
The mission of the President's Committee on Employment of People with Disabilities (PCEPD) is to promote the President's articulated disability policy: to empower all of America's 43 million citizens with disabilities to realize their potential as fully equal, fully productive, fully independent participants in the mainstream.

To achieve this mission, the President's Committee's focus is toward developing policies and related educational, informational, technical assistance and communications programs, and making them available to employers, people with disabilities, service providers and groups interested in the employment of people with disabilities.

The President's Committee operates the Job Accommodation Network (JAN), a telephone helpline to provide business and others with technical assistance on the Americans with Disabilities Act (ADA) and specific information on job site accommodations. Recent activity in all 50 states created a national ADA summit focusing on the Clinton administration's disability policy. The Committee supports the work of hundreds of volunteers engaged in specific program and policy development representing business, labor, the disability community, education, rehabilitation and government.

Financial Resources and Results of Operations

Expenses for employment and training were $5.5 billion in 1992 and $5.2 billion in 1991.

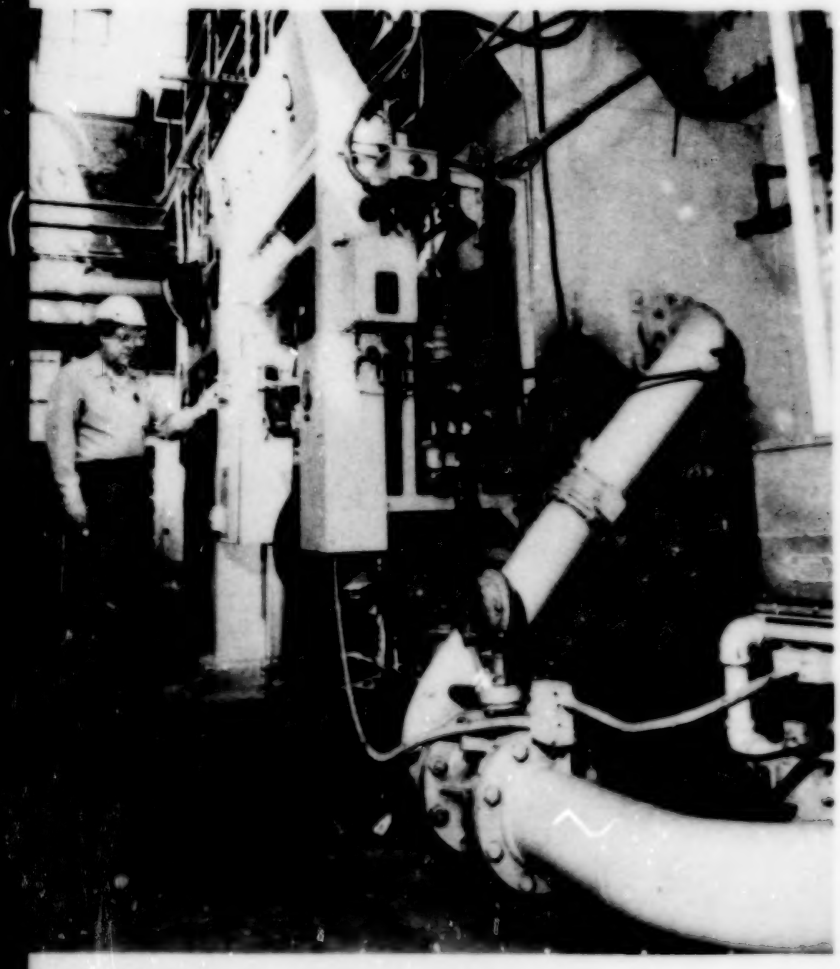


Labor, Employment and Pension Standards

The Department also has responsibilities for the administration and enforcement of laws which protect the wages, pensions and workplace rights of America's workers. As part of the Department's goal to empower workers and promote portability of benefits such as health and pensions, security, and to protect the freedoms of equality and opportunity in the workplace, the Department maintained effective programs to secure and maintain these rights for America's workers. In FY 1992, the Department continued to vigorously enforce minimum wage, overtime pay requirements, child labor laws, non-discrimination by Federal contractors, rules covering the rights of unions and efforts to protect private pensions and welfare benefit plans.

Labor-Management Standards (OLMS)

The Office of Labor-Management Standards (OLMS) administers and enforces provisions of the Labor-Management Reporting and Disclosure Act of 1959, as amended, (LMRDA) which is applicable to labor unions, union officials, employers, and labor relations consultants and the Standards of Conduct Regulations applicable to most Federal employee unions.



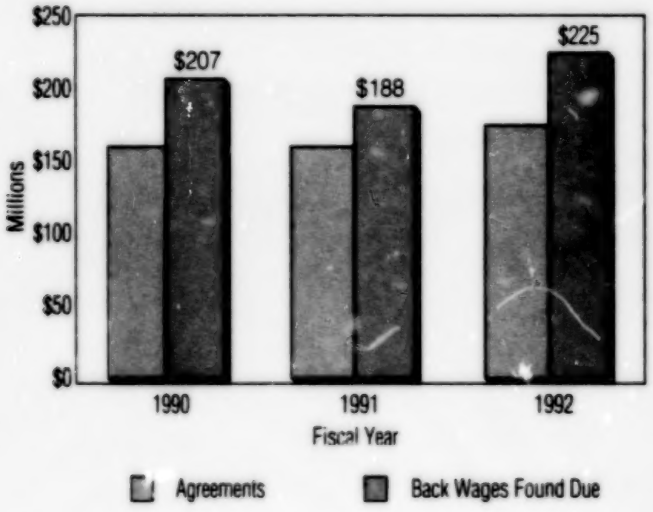
In FY 1992, the primary focus was to maintain an effective, balanced enforcement program. Under the LMRDA, OLMS was responsible for enforcement and audit programs covering more than 39,000 labor organizations. It completed a total of 343 criminal investigations and obtained 182 indictments and 177 convictions. A total of 173 investigations were referred for criminal prosecution. OLMS also conducted compliance audits of five national/international unions with combined annual receipts exceeding $162,000,000. A total of 806 compliance audits were performed in smaller organizations.

In the area of civil enforcement, OLMS investigated 175 union officer election complaints.

Wage and Hour (ESA)

The Wage and Hour Division is responsible for the administration and enforcement of a wide range of laws which collectively cover virtually all private and State and local government employment.

Wage and Hour Agreements



In FY 1992, Wage and Hour conducted 60,457 compliance actions under the purview of the Fair Labor Standards Act. The percentage of findings under FLSA and government contracts that employers have agreed to pay represented 78.3 percent of the monetary findings. This represented a slight decline from the previous year of 82.8 percent, although the total amount of back wages found due and amount employers agreed to pay increased significantly in FY 1992, by 20 percent and 13 percent, respectively, over FY 1991 totals.

Federal Contract Compliance Programs (ESA)

The Office of Federal Contract Compliance Programs (OFCCP) enforces regulations which require Federal contractors to take affirmative action to eliminate discrimination from the workplace and to obtain redress for victims of discrimination. During FY 1992, there were 4,953 compliance reviews of Federal contractors completed and 1,157 complaints investigated and resolved. A total of $31 million in financial agreements was obtained, including back wage agreements of $11.6 million for nearly 2,700 workers. The number of workers in facilities reviewed totaled 2.2 million.

Pension and Welfare Benefits (PWBA)

The Pension and Welfare Benefits Administration (PWBA) is responsible for administering Title I of the Employee Retirement Income Security Act (ERISA) and certain sections of the Federal Employees Retirement System Act of 1986. PWBA is responsible for regulation, enforcement and research to protect 730,000 private sector pension plans and 4.56 million private sector welfare benefit plans, covering more than 200 million participants and controlling over $2.2 trillion in assets.

The agency maximizes program impact by requiring the majority of investigative resources and approximately 50 percent of investigatory time to be devoted to certain areas or issues which have been identified as being subject to abusive practices.

In FY 1992, as a result of field enforcement efforts, assets of approximately $228 million were restored to employee benefit plans. This was the highest return ever recorded by the agency. Included in that amount was approximately $146 million which was restored through voluntary compliance and another $82 million through litigation.

During FY 1992, PWBA assessed civil penalties of nearly $1.9 million. In addition, the agency initiated a non-filer/late-filer program which provided a grace period wherein plan administrators who had not filed annual reports for plan years 1988 through 1991 could do so with a penalty capped at $1,000 per plan per filing year. During FY 1992, PWBA collected approximately $4 million in penalties related to this grace period program.

Pension and Welfare Benefits

Fines Assessed and Fines Collected

Data on ERISA civil penalty assessments and collections illustrates a relationship, over a period of time, between penalties assessed and collections of the principal amounts of assessments. In FY 1992, approximately $5.3 million, or 96 percent of collections, were related to penalties assessed in that same fiscal year.

Financial Resources and Results of Operations

Expenses for Labor, Employment, and Pension Standards changed little from FY 1991. FY 1992 expenses were $244 million as opposed to $237 million in 1991.

Worker Safety and Health

Among the more visible components of the Department's mission is the responsibility to protect employee safety and health on the job. In FY 1992, the Department's worker safety and health programs continued to conduct vigorous enforcement programs, which included on-site inspections, standards development and promulgation, training, and technical and compliance assistance.

Occupational Safety and Health (OSHA)

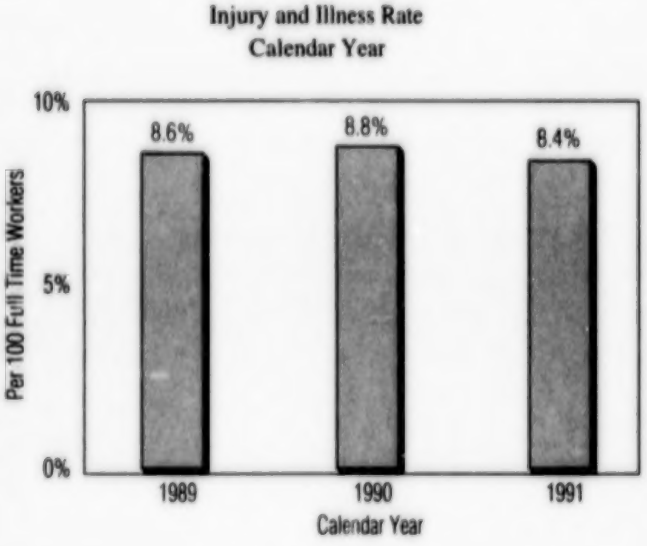
The Occupational Safety and Health Administration (OSHA) is responsible for enforcing the Occupational Safety and Health Act of 1970 (Public Law 91-596). The OSH Act authorizes the agency to enforce safety and health standards through inspections of workplaces and also to foster voluntary compliance by employers through onsite consultation, training, information services and Voluntary Protection Programs. OSHA also makes 50 percent matching grants to assist States in administering and enforcing safety and health standards under approved state programs. The agency covers over 90 million workers at more than six million workplaces.

During FY 1992, OSHA conducted 42,431 Federal enforcement inspections, slightly more than last year. In state enforcement, state plan personnel conducted 71,786 worksite inspections, almost 10,700 fewer than last year. While inspection totals declined during FY 1990-1992, the agency emphasized the quality of inspections. The percentage of violations designated as serious has also generally increased in both the Federal and State enforcement programs.

OSHA is making increased use of the criminal provisions of the OSH Act. During the period 1989-1992 the agency referred 44 cases to the Department of Justice or U. S. attorneys, almost double the number referred during the period 1981-1988. In 1992 the agency completed 3,350 investigations of complaints filed under section 11(c) alleging discriminatory actions against employees for exercising rights afforded them by the Act.

In addition to its traditional enforcement and regulatory roles, OSHA continued to pursue voluntary compliance programs to promote workplace safety. Under the consultation program, the agency funds 90 percent of the costs incurred by designated state agencies to provide free onsite consultation to employers who request assistance in achieving voluntary compliance.

Occupational Safety and Health



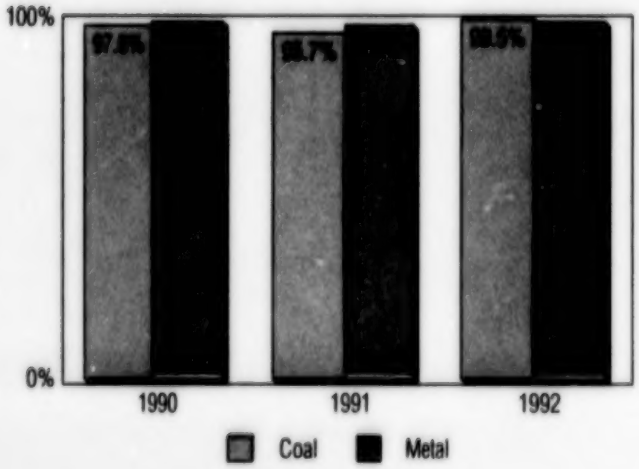
This measure represents the incidence rate of reported injuries and illnesses per 100 full-time workers, as estimated in the Bureau of Labor Statistics' annual survey. The 1990-91 decline in injury and illness rates was the largest such drop in a decade. (See chart on previous page)

Mine Safety and Health (MSHA)

The Mine Safety and Health Administration's (MSHA) mission is to administer the provisions of the Federal Mine Safety and Health Act of 1977 (Mine Act), (P.L. 95-164), as a means to eliminate fatalities, reduce the frequency and severity of accidents, and to minimize health hazards in the mining industry. In carrying out these responsibilities, MSHA promulgates mandatory safety and health standards, inspects approximately 15,300 mines to determine compliance with the standards, assesses civil penalties and refers for criminal prosecution acts of noncompliance, investigates accidents, develops training programs in cooperation with industry and labor, tests new equipment and compiles and analyzes data on accidents and injuries.

Mine Safety and Health

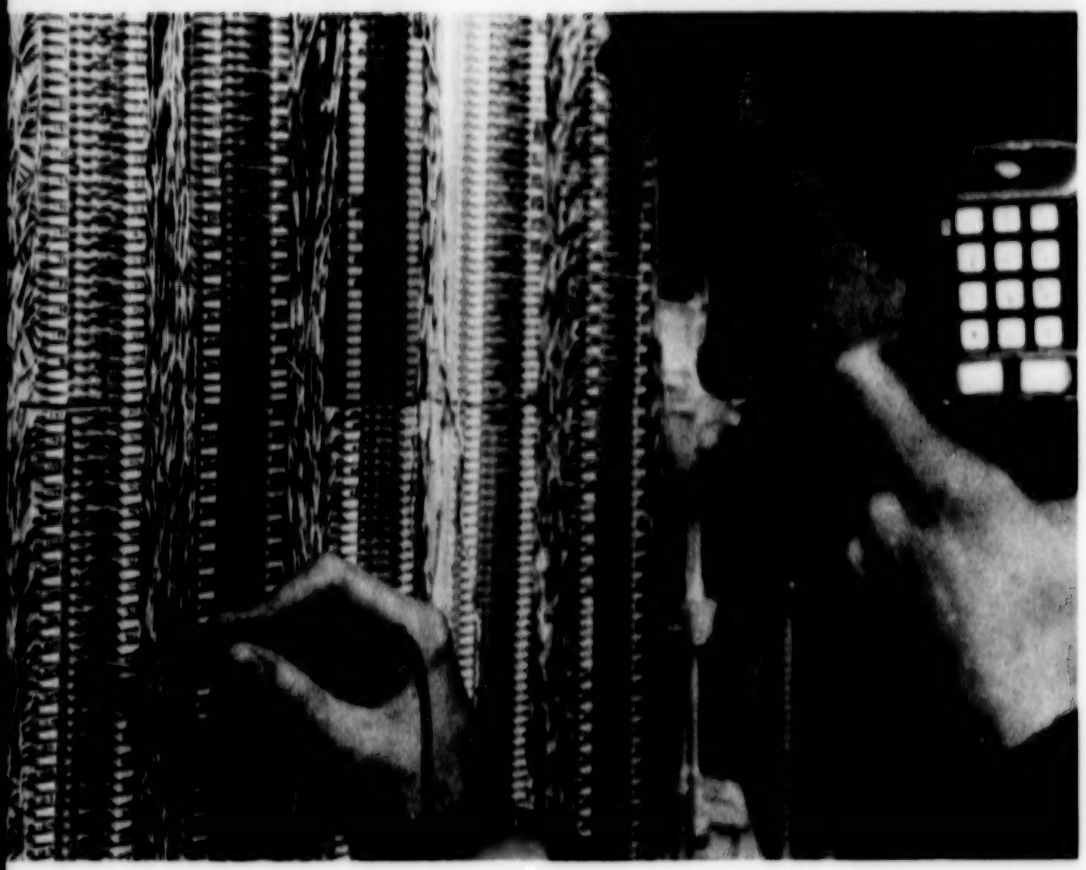
Inspection Completion Rate



Litigation of dust sample tampering cases continued during FY 1992. Eighty-five companies and individuals pled guilty to fraud or criminal charges under the Racketeer Influenced and Corrupt Organizations Act. In the civil cases, some 100 companies have paid the assessed penalties or entered into settlement agreements. During FY 1992, the Coal Mine Respirable Dust Task Group reviewed the dust program and presented recommendations to the agency for improvements. A new tamper resistant respirable dust cassette was developed and approved to replace those now in use.

MSHA's core statutory responsibility and highest priority is the basic inspection activities required by the Mine Act—four annual inspections of each underground mine and two annual inspections of each surface mine. A total of 99.6 percent of all required annual inspections were completed at coal mines, the highest level in five years. At metal and nonmetal mines, 98.8 percent of required annual inspections were completed, equaling the FY 1990 high.

The fatality rates in mining have remained relatively constant over the past several years. The fatality rate in coal



mines is double the rate in metal/nonmetal mines, while the rate for small coal mines (those with fewer than 50 employees) is about double the industry wide average. However, progress was made in stemming what had been a 4 year upward trend in the small coal mine rate by targeting small coal mine operators for assistance in preventing accidents and improving compliance. Despite the unchanging fatality rates, FY 1992 marked a record low number of fatalities—51 in coal mining and 49 in metal and nonmetal mining.

MSHA's civil penalty assessments increased substantially over the measured period as a result of dust tampering fines, across-the-board penalty increases and a five-fold increase in the maximum penalty.

Financial Resources and Results of Operations

Expenses for Worker Safety and Health increased by $91 million from $392 million in FY 1991 to $483 million in 1992. This increase is due primarily to the change in the liability for future workers compensation benefits.

Statistics

The Bureau of Labor Statistics (BLS) is the principal fact-finding agency for the Federal Government in the field of labor economics and statistics. Its mission is to collect, process, analyze and publish sensitive statistical and economic data in areas identified for economic research and statistical fact-finding by Congress, other Federal agencies, State Governments, business and labor. Most data come from voluntary responses to surveys of businesses or households conducted by BLS staff, by the Bureau of the Census (on a contractual basis), or in conjunction with cooperating State agencies.

BLS data play a large and important role in the development of other Federal statistics including the Gross Domestic Product and other key economic indicators. The Congress, President, Federal Reserve Board and other executive branch agencies use these indicators and BLS data to determine national economic policy. BLS data are also used by industry and labor in economic planning and collective bargaining activities and by other public and private institutions in a variety of planning and analytical activities. In addition, BLS data directly affect the economy. For example, in the private sector, the Producer Price Index affects up to $300 billion in long-term purchases and sales contracts.

Employment and Unemployment Statistics

The goal of the Employment and Unemployment Statistics program is to analyze and publish data on the labor force, employment and unemployment, persons not in the labor force, labor market developments, characteristics of special worker groups and displaced workers and detailed employment data by industry.

This was the first full year of additional funding under the initiative to improve key Federal Economic Indicators. In 1992, the Current Employment Statistics (CES) program expanded publication of monthly employment measures for the service sector and used new automation techniques to speed the receipt of data from reporters and thereby reduce revisions of the monthly estimates.

In 1992, there was an unusually large benchmark revision in the CES employment estimates. Although the BLS believes that, through its research, it has uncovered the source behind this large CES revision, BLS asked the American Statistical Association to convene a panel of experts to review the benchmark and the research so that the public's confidence in our employment statistics can be maintained.

Prices and Living Conditions

The goal of the Prices and Living Conditions program is to develop comprehensive measures of price change in retail and primary markets, and conduct research to improve the current measurement process. The data provides the essential elements to analyze price behavior and interpret price movement in relation to major economic change.

Expanded 1992 funding to improve key Federal Economic Indicators allowed BLS to initiate work in accelerated resampling for hi-tech industries as part of the quality improvement in the Producer Price Index (PPI) and for expansion of coverage for service industries in both the PPI and International Price (IP) programs.

Compensation and Working Conditions

The goal of the Compensation and Working Conditions program is to study employee compensation, using a broad range of data on workers' earnings in many occupations, industries and areas. It also develops information on employee benefits and the costs employers incur in providing those benefits.

This program's main focus during 1992 was launching locality pay surveys needed to implement the Federal Employees Pay Comparability Act of 1990. The data from this program include pay surveys for 32 individual metropolitan areas and the "rest of the United States," with results delivered to the President's Pay Agent on a flow basis through August 1993.

Productivity and Technology

The goal of the Productivity and Technology program is to measure productivity trends in the economy, major sectors, individual industries and government; to analyze these movements in order to understand the factors underlying productivity change; to investigate the nature and effect of technological change within industries and across industry lines and to develop comparable measures of productivity, labor force and employment, hourly compensation costs and other economic indicators for other countries.

Economic Growth and Employment Projections

The goal of the Economic Growth and Employment Projections program is to develop information about the labor market for 5 to 15 years in the future; labor force trends by sex, race, and age; employment trends by industry and occupation and the implications of these data for employment opportunities for specific groups in the labor force.

Financial Resources and Results of Operations

Expenses for Statistics increased by $57 million from $269 million in 1991 to $326 million in 1992. This increase is primarily attributable to the increased level of effort to improve Federal economic indicators and to the new locality pay surveys.

Other Departmental Programs

There are several other organizations that contribute to the accomplishment of the Department's mission. These organizations provide staff support to the Secretary and Deputy Secretary in the overall management of the Department. These organizations serve to enhance productivity in the American workplace by encouraging quality management, skills that match latest technologies and manager/worker cooperation, and communications; and to promote the values, productivity potential and example of America and her workers throughout the world.

Bureau of International Labor Affairs

The mission of the Bureau of International Labor Affairs (ILAB) is to promote the values and advance the welfare of American workers in the involvement of the United States in world affairs.

In FY 1992, ILAB played an active role in developing U.S. policy on international trade and investment issues to assure that the interests of U.S. workers were given full consideration. ILAB participated in the Uruguay Round of Multilateral Trade Negotiations and the North American Free Trade Agreement (NAFTA) negotiating groups. In the NAFTA negotiations, ILAB took the lead on two issues significantly affecting labor: safeguards and temporary entry of business persons.

To assist in the development and implementation of international economic policies that benefit U.S. workers, ILAB continued to coordinate U.S. implementation of the May 1991 memorandum of understanding with Mexico on Labor Cooperation. During FY 1992, an Agreement with Mexico establishing a Consultative Commission on Labor Matters was also successfully negotiated. ILAB participated in many interagency efforts dealing with trade policy and immigration issues and conducted a broad range of studies on the impact on U.S. workers of changes in international trade, investment and technology transfers.

In FY 1992, ILAB prepared the Secretary's second biennial Worker Rights Report to Congress, which dealt with child labor problems, problems of workers in the informal sector and labor restrictions in East Asia. ILAB also expanded Eastern European technical assistance programs dealing with construction skills, entrepreneurial training, pension reform, employment services and automation. Additional technical assistance was provided to Mexico under the MOU with Mexico, focusing on worker safety and health, labor law, labor statistics, and labor rights.

In FY 1992, ILAB continued its leadership role with respect to the U.S. participation in the International Labor Organization (ILO) and the Organization for European Cooperation and Development (OECD), including an active role in an OECD conference in Moscow on the relevance of OECD social and labor market policies for the Russian reform process.

Bureau of Labor-Management Relations and Cooperative Programs

In FY 1992, the Bureau continued efforts to promote cooperation between labor and management to improve

productivity and the quality of work life in the American workplace. Major activities included conducting 58 technical assistance visits to aid employers and unions to implement workplace partnerships and define the skills necessary to enhance quality in the workplace. The Bureau continued to assist over 250 members of a delivery network of locally based resource organizations to promote workplace partnerships with more than 20 train-the-trainer workshops on committee effectiveness training provided. Fifteen workshops were also held on the new Interest-Based Negotiations approach.

Also, during FY 1992, the Bureau continued to administer responsibilities under several worker protection statutes which included certifying 950 projects under the Urban Mass Transportation Act (UMTA).

At the end of FY 1992, this Bureau was abolished. Its statutory programs, such as UMTA and the Redwood Employee Protection program, were transferred to the Employment and Training Administration. In addition, its mission was redefined and a 21st Century Workforce organization (Team 21) was established with a new mission and responsibilities associated with promoting high performance work organizations in America based on a cooperative labor-management relationship and employee participation.

Women's Bureau

The Women's Bureau promotes the welfare of wage earning women and seeks to improve the working conditions of women, increase their efficiency and advance their opportunities for profitable employment.

In FY 1992, the Women's Bureau continued to focus its programs, research and analysis on the continued increase in women's labor force participation, with particular focus to often overlooked segments of the female population and preparation of the workforce of the future. A statistical analysis of "prime time women" (those aged 35-54) was produced to provide a framework within which to identify and discuss the economic status of women in their prime earning years. Research activities contributed to the production of the Handbook on Women Workers, which included a 30-year look at women's employment in industries. The Bureau continued its interest in specific groups of women who often encounter difficulties in obtaining or maintaining employment. Displaced homemakers, women veterans, and women trying to break through the "glass ceiling" to higher level executive positions were included in the focus.

The Bureau also continued its partnership in the Women in Skilled Trades initiative, designed to increase the numbers of women and minorities in apprenticeships. The international visitor's program continued, with the Bureau briefing over 100 delegations of visitors on the role of women in the U.S. labor force, their issues and concerns.

Office of Inspector General

The Office of Inspector General (OIG) is charged with promoting economy, efficiency, and effectiveness in DOL programs and operations as well as with preventing fraud and abuse, through audits of DOL programs and activities, and investigations of suspected wrongdoing by DOL contractors, grantees, program participants or beneficiaries, and employees. The OIG also conducts criminal investigations to eliminate the

influence of organized crime and labor racketeering on employee benefit plans, labor-management relations and union affairs.

The most significant activities on which the OIG concentrated were: the accomplishments from the Job Training Partnership Act funds; the Department's under-reliance on criminal sanctions for violations of occupational safety and health regulations; the continuing inadequacy and unreliability of pension plan audits performed by public accountants; the increasing problem of fraud, by unscrupulous white-collar racketeers, of employer-sponsored health insurance plans; the protection of union employee benefit plans; the influence of organized crime on labor organizations; fraud in the Department's worker benefit and compensation programs; and problems with the Department's financial management and accountability functions.

The OIG conducted 500 audits of DOL programs and operations, along with 280 investigations of suspected wrongdoing by DOL contractors, grantees, program participants, beneficiaries and employees that were referred for criminal prosecution. The OIG also opened 178 criminal investigations to eliminate the influence of organized crime and labor racketeering on employee benefit plans, labor-management relations and union affairs.

OIG audits questioned the expenditure of $86.3 million and recommended that another $42.2 million in DOL funds be put to better use. As a result of audits, departmental management disallowed $70.2 million in contractor and grantee expenditures in FY 1992. OIG also opened 530 cases and closed 691. Investigative accomplishments included 169 indictments, 162 convictions and $9.9 million in monetary results. Criminal investigations into corruption in employee-benefit plans, employee-management relations and internal union affairs conducted by the OIG achieved 164 indictments, 128 convictions, and $48.1 million in monetary results.

Financial Resources and Results of Operations

Expenses for Other Departmental Programs changed a little in 1992. They increased by $14 million from $390 million in 1991 to $404 million in 1992.

2

"The Future of the American Workforce and DOL"

Recently there has been a growing recognition in America that our workers are among the nation's most valuable resources and play a crucial role in determining our future economic and social strength as a world power.

All of DOL's activities are in a very real sense down-payments on longer-term investments in the nation's "human capital": the skills and capacities of our workforce. For too long, we have not been willing to make serious investments in this capital, but rather have been content with diffuse and incomplete efforts.

Today, we cannot afford anything less than to make America's employment and training system the best it can possibly be. The vigor of the nation's economy depends upon steady rises in productivity and flexibility — objectives which we cannot attain unless we revitalize our workforce.

Such revitalization requires a sustained surge in our investment in the skills of America's working men and women. The real earnings of frontline workers have halted their postwar climb and instead have been falling for the past decade and a half. Building up the workforce is the key to getting the American economy back on track because in essence, the American workforce is the American economy.

There are three broad components to DOL's fundamental mission of maximizing investment in America's human capital. We must prepare our young people for their first jobs. We must equip those of us threatened by economic change to secure new jobs. And we must restore the American promise of steadily better jobs over time, for all of our working people.

Preparation for First Jobs

For young people, preparation for the first full-time job can be critical. It can mean the difference between entering a career that holds the promise of continued learning and increasing earnings, or taking a job with uncertain opportunities and little hope for better earnings in the future.

The lack of any structure to help young people successfully make the transition from school to work is especially damaging to youth who never earn a traditional college degree — a group which in fact forms the majority of all American youth.

Under the President's leadership, the Department of Labor and the Department of Education are working in partnership to create a new nationwide school-to-work opportunities system. This system is designed to join school-based and work-based learning in order to make it easier for young Americans to identify and navigate pathways to productive and progressively more rewarding work roles.

The "first jobs" component of the workforce-investment agenda also includes improving the Summer Youth Employment and Training Program and expanding the experience-proven services of the Job Corps. Emphasis in

summer program improvement will be upon enriching the program's academic component, specifically through incorporation of basic skills assessment, tailored learning programs, and closer coordination with schools. Job Corps expansion aims at an increase in the number of new centers and slots.

Creation of New Jobs

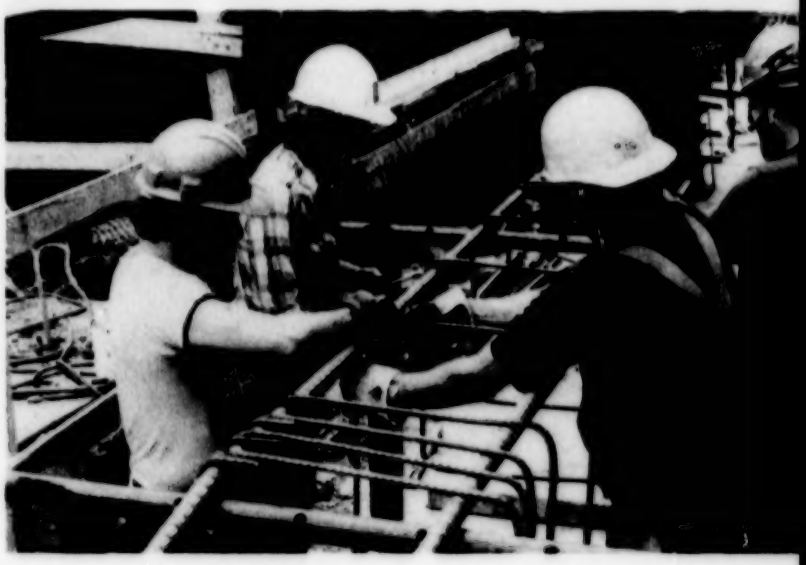
We need to face the fact in this nation that for millions of people among the ranks of the jobless, recovery of the U.S. economy does not automatically mean resumption of employment. Workers who have lost their jobs in recent recessionary times are much less likely to get them back than in previous economic downturns and must find employment in new occupations and industries.

Fewer and fewer Americans can expect to stay in the same job throughout their careers. More and more of us face the challenge of finding new roles in the working world, maybe even several times. The economy of today and tomorrow demands lifelong learning, and the President's employment and training vision strongly emphasizes helping American workers explore and prepare for new jobs.

The current economy also places a premium upon creating new jobs because of the increases in job loss through various forms of economic dislocation. These include adjustments in foreign trade, defense down-sizing, environmental impacts, technological change, plant closings, mass lay-offs and natural disasters.

Consequently, this Administration seeks to merge programs that target dislocated workers into a new, universal, comprehensive worker adjustment program. Among the program's features would be an enriched array of basic adjustment services, training if needed, and income support. The program will increasingly emphasize rapid response and early intervention, and will provide more tailoring of services to each participant. Data on program quality will be collected to encourage wider and more informed participant choice among service providers.

In addition, to facilitate job information access for adults seeking to change jobs or careers or to develop new skills, DOL proposes to develop one-stop career centers that will streamline provision of employment and training information, testing and assessment services, referral to skill training programs and job-finding assistance.



Improvement of Current Jobs

Better jobs will come from America's increased investment in work and learning only if this investment is guided by a clear understanding of the skills and competencies our workers need in order for them to help maintain the nation's competitiveness.

A major DOL step in this direction is to build, again in partnership with the Department of Education, a national structure for developing and encouraging the use of voluntary skills standards and competencies. In this initiative, we will take advantage of significant contributions that have already been made by business, labor, educators, and States.

Once the network of voluntary skills standards has been built, students and workers seeking to upgrade their skills will be enabled to better prepare themselves for high-wage jobs. In addition, businesses — especially small and medium-sized employers — will be enabled to hire workers who are more highly skilled.

Finally, we are encouraging American businesses to do everything they can to organize work for high performance. World-class skills and competencies cannot have their full impact in strengthening U.S. competitiveness unless work is organized in a way that fully utilizes the talents and energies of this nation's highly-skilled frontline workers.

3

Assistant Inspector General's Report on Consolidated Principal Statements and Consolidating Schedules

The Honorable Robert B. Reich

Secretary of Labor

Washington, D.C. 20210

We have audited the Consolidated Principal Statements and the consolidating schedules, as of and for the year ended September 30, 1992, and the Consolidated Principal Statements as of and for the year ended September 30, 1991, of the U.S. Department of Labor (DOL), a department of the United States Government. These statements are the responsibility of the Department's management. Our responsibility is to express an opinion on these statements based on our audits.

Compliance With Laws and Regulations

The Department's consolidated statement of operations for the fiscal years ended September 30, 1992 and 1991 included expenses for grants, subsidies and contributions primarily with various state and local governments and nonprofit organizations, in the amounts of $10.0 billion and $7.1 billion, respectively, expenses for unemployment benefits incurred by state employment security agencies in the amounts of $39.1 and $27.8 billion, contributions by states of state unemployment taxes of $16.4 billion and $14.2 billion, and reimbursements from State, local and nonprofit reimbursable employers in the amounts of $1.0 and $.7 billion. Our audit included testing these expenses and financing sources for compliance with applicable laws and regulations at the federal level (see Inspector General's Report on Compliance with Laws and Regulations). Pursuant to a mandate by Congress, the examination of these transactions below the federal level for compliance with laws and regulations is primarily performed by various auditors in accordance with the Single Audit Act of 1984, and OMB Circulares A-128 and A-133. The results of those audits are reported directly to the cognizant federal agency, which is responsible for audit resolution.

Scope

Except as discussed in the following section, we conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Bulletin 93-06, Audit Requirements for Federal Financial Statements. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the principal consolidated statements and the consolidating schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As required by Office of Management and Budget Bulletin 93-02, Form and Content of Agency Financial Statements, Note 1 to the principal consolidating statements describes the accounting policies used by the U.S. Department of Labor to prepare the financial statements, which is a comprehensive basis of accounting other than generally accepted accounting principles. Management has elected to provide certain disclosures for only the consolidated statements. The Department's financial statements do not disclose at the consolidating level information relating to the details of allowance for doubtful accounts, accumulated depreciation, net position, and expenses by object class. Disclosure at the consolidating level is not required by OMB Bulletin 93-02.

Scope Restrictions

We were unable to satisfy ourselves as to the fairness of the recorded amounts of coal taxes revenue stated at $626 million and $651 million as of September 30, 1992 and

1991, respectively. The Internal Revenue Service remits to the Black Lung Disability Trust Fund coal tax revenue collected from mine operators. The U.S. Treasury maintains the accounting records for this revenue. Periodic reports are provided to the Department of Labor. We were unable to obtain sufficient evidential matter to satisfy ourselves regarding the coal tax revenues.

The consolidated financial statements include receivables from the public for Federal unemployment taxes in the amount of $.7 billion and $.7 billion at September 30, 1992 and 1991, respectively, and income from such taxes in the amount of $4.4 billion and $5.2 billion, respectively. These taxes are collected by the Internal Revenue Service and subsequently transferred by the U.S. Treasury to the Unemployment Trust Fund. The amounts reported represent an estimate of these tax collections. Subsequent to September 30, 1992, the U.S. Treasury significantly amended its estimate of Federal unemployment tax collections for the current and prior years. This revision is reflected in the Department's financial statements. We were unable to obtain sufficient evidential matter to satisfy ourselves regarding the fair presentation of these accounts.

The Department of Labor does not have access to the Treasury's accounting records for audit purposes. The Department of Treasury has not provided the Department of Labor audit assurances related to these accounts referred to in the preceding two paragraphs.

Opinion

In our report dated June 1, 1992, we qualified our opinion on the FY 1991 principal consolidated statements due to the matters related to coal tax revenues. Our opinion on the 1991 financial statements, as presented herein, is different from our previous report. Because of the significant revision in the unemployment tax collection estimates and lack of audit assurances on tax collections, as discussed in the preceding paragraphs, our opinion on the FY 1991 principal consolidated statements is also now qualified related to unemployment tax collections. In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine sufficient evidence regarding coal and unemployment tax revenues for the years 1992 and 1991, the consolidated principal statements and the consolidating schedules referred to in the first paragraph present fairly, in all material respects, the financial position of the United States Department of Labor as of September 30, 1992 and 1991, and the results of its operations, and changes in net position and its cash flows for the years then ended, and budget and actual expenses for the year ended September 30, 1992, in conformity with the accounting policies described in Note 1.

Our audits were made for the purpose of forming opinions on the principal consolidating statements described above. We have reviewed the financial information presented in management's overview of the Department and in the supplemental financial and management information section. The information presented in the overview and supplemental financial and management sections are presented for the purposes of additional analysis. Such information has not been audited by us and, accordingly, we do not express an opinion on this information. This information is addressed, however, in our Inspector General's report on internal control structure.

Gerald W. Peterson
Assistant Inspector General
for Audit
July 26, 1993

4

Consolidated Financial Statements

Introduction to financial statements

In their broadest sense, financial statements are a means to represent an organization or fund and its activities in financial terms. They are particularly useful when they faithfully and consistently portray financial activities over periods of time.

Traditionally, the government has used three primary ways to portray its financial activities - the obligation, cash and accrual bases. Generally the obligation basis measures the resources committed to officially carry out government programs, the cash basis measures the current cash inflows and outflows or budgetary outlays, whereas the accrual basis measures the total economic resources available to the government and the liabilities incurred but not yet paid. These three means of portraying the government are important and tell the reader different but complementary information about the reporting entity.

The consolidated financial statements and related notes have been prepared pursuant to the Chief Financial Officers Act of 1990 (P.L. 101-576) for the Director of the Office of Management and Budget (OMB) under the direction of OMB Bulletin 93-02, "Form and Content of Agency Financial Statements."

Financial statements included in this report

- The **Consolidated Statement of Financial Position,** which shows on an accrual basis those resources owned which are available to pay debts or provide future services and those debts from past operations that will require payments from those resources;
- The **Consolidated Statement of Operations,** which shows on an accrual basis the financing sources and the cost of goods and services consumed in carrying out authorized activities during the year;
- The **Consolidated Statement of Changes in Net Position,** which shows changes in fund balances by operating and non-operating components.
- The **Consolidated Statement of Cash Flows,** which identifies on an accrual basis the resources used during the year to provide for operations and the acquisition of capital assets, as well as those sources of financing made available for operations and capital acquisitions; and
- The **Consolidated Statement of Budget and Actual Expenses,** which reconciles expenses on the accrual basis with budgetary resources and expenditures.

Limitations on financial statements

- The consolidated financial statements have been prepared to report the financial position and results of operations of the U.S. Department of Labor (DOL), pursuant to the requirements of the Chief Financial Officers Act of 1990.
- The statements should be read with the realization that they are from a sovereign entity, that unfunded liabilities reported in the financial statements cannot be liquidated without the enactment of an appropriation, and that the payment of all liabilities other than for contracts can be abrogated by the sovereign entity.
- While the statements have been prepared from the books and records of DOL in accordance with the formats prescribed by OMB, the statements are different from the financial reports used to monitor and control budgetary resources which are prepared from the same books and records.

Financial resources and results of operations:

The accompanying statements summarize DOL's financial position, disclose the costs of operations and the changes in

net position during fiscal years 1992 and 1991, present all significant cash flows during the two fiscal years and provide a comparison and reconciliation of budget and actual expenses.

- The cost of operating DOL during fiscal years 1992 and 1991 was $51.1 billion and $38.8 billion respectively, an increase of $12.3 billion (31%). This increase is primarily attributable to the emergency unemployment compensation (EUC) program, enacted by Congress in November 1991. This program provided up to 33 additional weeks of benefit payments, increasing DOL's expenses for income maintenance programs from $32.3 billion in 1991 to $44.1 billion in 1992.

- Financing sources for DOL operations also increased over these fiscal years by $5.5 billion (16.6%) from $33.1 billion in 1991 to $38.6 billion in 1992. This increase was primarily attributable to a $4.5 billion increase in appropriations expensed (13.6%) and a $1.5 billion increase in employer unemployment taxes (4.5%). The increase in appropriations expensed was attributable to EUC, which was financed from general fund appropriations, once the balance of unemployment taxes in the Extended Unemployment Compensation Account was exhausted. Employer taxes were DOL's largest source of funds in 1992 and 1991, comprising 56% and 60% of total financing sources ($21.5 and $20.0 billion, respectively).

- DOL's financial position was dominated by the Unemployment Trust Fund (UTF), which comprised 82% and 85% of the Departments total assets at the end of 1992 and 1991 respectively. DOL's assets at the end of 1992 were $55 billion, compared to $63.2 billion for 1991, a decrease of $8.2 billion (13%). This decrease was caused primarily by the redemption of Federal government securities to finance the EUC program insurance benefits.

- There were few significant changes in DOL's liabilities, which increased from $36.0 billion in 1991 to $39.9 billion in 1992. This increase of $3.9 billion (10.8%) was due to an increase in accrued unemployment benefits for the EUC program and the recognition, in 1992, of an intragovernmental liability due from the (UTF) to the Treasury returning funds incorrectly transferred as Federal unemployment taxes by Treasury to the UTF.

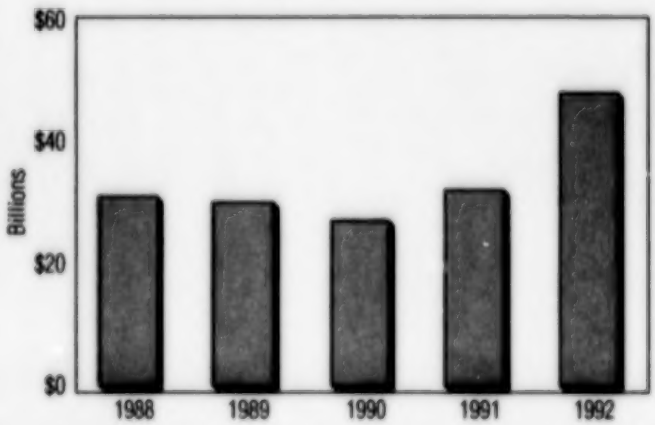
- DOL's net position declined from $27.2 billion in 1991 to $15.1 billion in 1992, a decrease of $12.1 billion (44%). This decrease was primarily attributable to an excess of UTF expenses over revenues and transfers totaling $12.5 billion, partially offset by an increase in unexpended appropriations of approximately $452 million. The excess of UTF expenses over revenues was caused primarily by EUC program benefits.

- DOL's future funding requirements decreased by $400 million (5%) from $7.4 billion in 1991 to 7.0 billion in 1992. This decrease was due to a $600 million reduction in the liability for future Black Lung Disability benefits, partially offset by a $200 million increase in other unfunded liabilities.

- DOL's net budgetary resources were $91.1 billion for 1992. Obligations incurred against those resources were $50.2 billion, a difference of $40.9 billion. This difference is primarily due to the unexpended balances in the UTF and unobligated balances in unexpired accounts available for new obligations. Also included are unobligated balances in expired accounts that are available for obligation adjustments but not new obligations and unobligated balances that were cancelled on October 1, 1992. Thus, budgetary resources differ from the budgetary authority figures displayed below (and elsewhere) as budgetary resources include prior-year unobligated balances as well as new budget authority.

U.S. Department of Labor

Budget Authority
Fiscal Year



U.S. DEPARTMENT OF LABOR

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30

(Dollars in thousands)	1992	1991
ASSETS		
Financial resources		
Funds with U. S. Treasury and cash (Notes 1-F and 2)	$ 7,437,198	$ 6,671,352
Accounts receivable, net of allowance (Notes 1-G and 3)	4,472,218	3,811,662
Advances (Notes 1-H and 4)	1,373,012	1,020,735
Intragovernmental items, Federal		
Accounts receivable, net of allowance (Notes 1-G and 3)	6,208,470	3,716,772
Investments (Notes 1-I and 5)	35,223,528	47,649,277
Advances (Notes 1-H and 4)	2,302	3,695
Total financial resources	54,716,728	62,873,493
Non-financial resources		
Resources transferable to U.S. Treasury (Note 1-J)	64,539	68,170
Property, plant and equipment, net of depreciation (Notes 1-K and 6)	267,378	281,476
Total non-financial resources	331,917	349,646
Total Assets	$ 55,048,645	$ 63,223,139

The accompanying notes are an integral part of these statements.

U.S. DEPARTMENT OF LABOR

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30

(Dollars in thousands)	1992	1991
LIABILITIES AND NET POSITION		
Funded liabilities		
Accounts payable	$ 925,509	$ 225,823
Accrued payroll and benefits	29,740	55,174
Accrued unemployment benefits (Note 1-L and 8)	27,415,051	24,623,626
Other funded liabilities (Note 7)	378,822	697,042
Intragovernmental liabilities, Federal		
Accounts payable	3,794	4,123
Other funded liabilities (Note 7)	1,430,076	390,423
Total funded liabilities	30,182,992	25,996,211
Unfunded liabilities		
Accrued leave (Note 1-M)	65,372	59,042
Future workers' compensation benefits (Notes 1-N and 9)	6,063,909	6,715,620
Advances from U.S. Treasury (Note 1-O)	3,606,032	3,265,703
Other unfunded liabilities	11,491	0
Total unfunded liabilities	9,746,804	10,040,365
Total liabilities	39,929,796	36,036,576
Net position (Notes 1-Q and 10)		
Revolving fund balances	72,812	64,632
Trust fund balances	15,121,201	28,088,179
Appropriated fund balances	6,914,301	6,446,140
Total fund balances	22,108,314	34,598,951
Less future funding requirements	6,989,465	7,412,388
Total net position	15,118,849	27,186,563
Total Liabilities and Net Position	$ 55,048,645	$ 63,223,139

The accompanying notes are an integral part of these statements.

U.S. DEPARTMENT OF LABOR

CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEARS ENDED SEPTEMBER 30

(Dollars in thousands)	1992	1991
FINANCING SOURCES (Note 1-C)		
Appropriations expensed	$ 10,212,262	$ 5,734,196
Reimbursements from other Federal agencies	2,444,586	2,160,448
Reimbursements from the public	1,003,837	792,001
Interest, penalties and assessments	3,496,634	4,344,954
Employer taxes	21,451,509	19,968,959
Other	192,764	219,936
Less receipts to be transferred to Treasury	(184,627)	(103,271)
Total financing sources	38,616,965	33,117,223
EXPENSES BY PROGRAM (Note 11)		
Income maintenance	44,139,439	32,316,857
Employment and training	5,539,117	5,212,893
Labor, employment and pension standards	244,475	236,620
Worker safety and health	482,501	391,500
Statistics	325,742	268,751
Other departmental programs	403,538	390,242
Total expenses	51,134,812	38,816,863
Shortage of financing sources over total expenses before adjustments	(12,517,847)	(5,699,640)
Prior period adjustments (Note 1-E)	23,550	0
Shortage of financing sources over total expenses	(12,494,297)	(5,699,640)
Unfunded expenses	(465,924)	(459,950)
Shortage of financing sources over funded expenses	$ (12,960,221)	$ (6,159,590)

The accompanying notes are an integral part of these statements.

U.S. DEPARTMENT OF LABOR

CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30

(Dollars in thousands)	1992	1991
NET POSITION, BEGINNING BALANCE	$ 27,186,563	$ 32,294,977
Shortage of financing sources over total expenses	(12,494,297)	(5,699,640)
Increase in unexpended appropriations	452,172	590,258
Increase (decrease) in capitalized appropriations	(25,589)	968
NET POSITION, ENDING BALANCE	$ 15,118,849	$ 27,186,563

The accompanying notes are an integral part of these statements.

U.S. DEPARTMENT OF LABOR

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30

(Dollars in thousands)	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES		
Shortage of financing sources over total expenses	$ (12,494,297)	$ (5,699,640)
Adjustments affecting cash flow:		
Appropriations expensed	(10,212,262)	(5,734,196)
Increase in assets	(3,499,507)	(126,184)
Increase in liabilities	3,552,891	2,681,659
Depreciation	42,401	77,926
Total adjustments	(10,116,477)	(3,100,795)
Net cash used by operating activities	(22,610,774)	(8,800,435)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from sales of investments	12,425,749	2,944,810
Purchases of property and equipment	(76,896)	(76,249)
Net cash provided from investing activities	12,348,853	2,868,561
CASH FLOWS FROM FINANCING ACTIVITIES		
Net appropriations	10,687,438	6,322,777
Advances from the U.S. Treasury	340,329	216,642
Net cash provided by financing activities	11,027,767	6,539,419
Net cash provided by operating and non-operating activities	765,846	607,545
Fund balance with Treasury, beginning	6,671,352	6,063,807
Fund balance with Treasury, ending	$ 7,437,198	$ 6,671,352

The accompanying notes are an integral part of these statements.

U.S. DEPARTMENT OF LABOR

CONSOLIDATED STATEMENT OF BUDGET AND ACTUAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 1992

(Dollars in thousands)	Budget			Actual
		Obligations		
	Resources	Direct	Reimbursed	Expenses
PROGRAM (Note 12)				
Income maintenance	$ 82,617,758	$ 43,062,263	$ 1,606,787	$ 44,139,439
Employment and training	7,147,000	5,797,902	30,238	5,539,117
Labor, employment, and pension standards	232,440	225,459	99	244,475
Worker safety and health	493,835	473,861	3,613	482,501
Statistics	258,652	249,555	5,260	325,742
Other departmental programs	399,729	359,558	10,520	403,538
Totals	$ 91,149,414	$ 50,168,598	$ 1,656,517	$ 51,134,812

BUDGET RECONCILIATION	
Total expenses	$ 51,134,812
Add increases in capital acquisitions and other expended budget authority	84,392
Add decreases in depreciation, annual leave and other unfunded expenses	298,315
Less accrued expenditures for the Pension Benefit Guaranty Corporation	758,858
Add accrued expenditures for allocation accounts and other differences between budget and financial statement reporting	391,465
Accrued Expenditures	51,150,126
Less reimbursements	1,656,517
Accrued expenditures, direct	$ 49,493,609

The accompanying notes are an integral part of these statements.

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U.S. Department of Labor
Notes to Consolidated Financial Statements
September 30, 1992 and 1991

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accompanying consolidated financial statements present the financial activity of the U.S. Department of Labor (DOL), a cabinet level agency of the Executive Branch of the United States Government. The financial activity presented relates primarily to the execution of DOL's congressionally approved budget. DOL executes programs under three of the major budget functions established by Congress in the Budget Act of 1974: (1) education, training, employment and social services; (2) health (occupational health and safety); and (3) income security.

DOL's financial activity is recorded in individual funds which are combined for reporting purposes into three separate fund types:

- **Revolving Fund** - This fund type is used to account for the financing of goods or services provided by a central operation to agencies and other functions within DOL. Operations are funded on a cost reimbursement basis by the recipients of the goods or services.
- **Trust Fund** - This fund type is established to account for receipts that are held in trust for use in carrying out specific purposes and programs in accordance with agreements or statutes. The assets of trust funds are frequently held over a period of time and may involve such transactions as investments in revenue-producing assets and the collection of revenue therefrom. Generally, trust fund accounts consist of separate receipt and expenditure accounts.
- **General (Appropriated) Fund** - This fund type consists of (1) receipt accounts used to account for collections not dedicated to specific purposes, and (2) expenditure accounts used to record financial transactions arising under congressional appropriations or other authorizations to spend general revenues.

DOL and the Department of Treasury (Treasury) are jointly responsible for the operations of two of the largest funds within the reporting entity—the Unemployment Trust Fund and the Black Lung Disability Trust Fund. DOL's Employment and Training Administration (ETA) and Employment Standards Administration (ESA), respectively, are responsible for the administrative oversight and policy direction for the income security programs financed by those trust funds. Treasury acts as custodian over monies deposited into those funds and also invests amounts in excess of disbursing requirements in Treasury securities on behalf of DOL.

Through agreement with Treasury, the DOL reporting entity consolidates the financial results of the Unemployment Trust Fund and the Black Lung Disability Trust Fund for the preparation of financial reports prescribed by Treasury and Section 303(b) of the Chief Financial Officers (CFOs) Act of 1990.

DOL and its separate entities are accountable to Treasury for most monies deposited to and withdrawn from DOL's accounts with Treasury. Exceptions are:

- The Pension Benefit Guaranty Corporation (PBGC), a wholly owned Federal government corporation under the chairmanship of the Secretary of Labor, has been designated by OMB as a separate reporting entity for financial statement purposes and has, therefore, been excluded from the DOL reporting entity.

- Both the benefit payments and administrative expenses of the separate unemployment insurance (UI) program for railroad employees are paid from the Unemployment Trust Fund Railroad UI Accounts. Receipts from the tax on railroad payrolls are deposited in the fund to meet these expenses. Account balances have been classified as liabilities of the DOL reporting entity because DOL is not responsible for administrative oversight or solvency of the railroad unemployment insurance system.

The accompanying consolidated financial statements include the accounts of all funds under DOL control. All interfund balances and transactions have been eliminated. The statements do not include the effect of centrally administered assets and liabilities related to the Federal government as a whole, which may in part be attributable to DOL.

B. Basis of Presentation and Accounting

1. Basis of presentation

The consolidated financial statements have been prepared from the books and records of the U. S. Department of Labor in accordance with the requirements of the CFOs Act of 1990, Office of Management and Budget (OMB) Bulletin 93-02, Form and Content of Agency Financial Statements, and DOL's accounting policies summarized in Note 1.

2. Basis of accounting

The consolidated financial statements are presented in accordance with the accounting principles and reporting standards contained in DOL's accounting policies and procedures manual and related documentation. These standards are considered appropriate by DOL to account for its financial position and results of operations, consistent with OMB Bulletin 93-02. Transactions are recorded on an accrual accounting basis and a budgetary basis. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to the receipt or payment of cash. Budgetary accounting facilitates compliance with legal constraints and controls over the use of Federal funds. The differences between the accrual basis of accounting for expenses and the budgetary basis of accounting for accrued expenditures are presented in the Consolidated Statement of Budget and Actual Expenses.

The differences between OMB Bulletin 93-02 and DOL's financial statement presentation are as follows:

- Coal excise taxes are recognized on a cash basis. Revenues from coal taxes are determined by Treasury estimates of cash collections, which are subsequently adjusted to actual.
- Depreciation and amortization, bad debts, interest and other expenses are allocated to each program expense, and are not included as separate expenses on the statement of operations.

Under the authority of the CFOs Act of 1990, the Federal Accounting Standards Advisory Board (FASAB) was established by the Secretary of the Treasury, the Director of the Office of Management and Budget and the Comptroller General, to make recommendations regarding the accounting standards to be implemented by Federal agencies. The resulting standards will be concurrently issued by GAO and OMB. In the interim, FASAB has recommended that agencies continue to use their current accounting policies to prepare financial statements.

3. Budgets and budgetary accounting

Within the DOL reporting entity, budgetary authority, the authority to enter into financial obligations that will result in an immediate or future outlay, is derived from: (a) cost reimbursement for the provision of goods or services; (b) receipts that are held in trust for use in carrying out specific purposes and programs in accordance with agreements or statutes; (c) receipts not dedicated to specific purposes; and (d) congressional appropriations or other authorizations to spend general revenues.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation and Accounting - Continued

Budgetary resources include new budget authority, unobligated balances of DOL's funds, direct spending authority, and obligation limitations. Multi-year appropriations remain available to DOL for new obligation in future periods. Pursuant to P.L. 101-510, unobligated balances associated with appropriations that expire at the end of the fiscal year remain available for obligation adjustments, but not new obligations, until that account is closed. Once balances are closed, generally five years after they expire, the amounts are not available for obligation or expenditure for any purpose.

Direct budget obligations are the amounts of orders placed, contracts awarded, services received, and similar transactions against budgetary resources that will require outlays of the reporting entity. Reimbursed budget obligations are obligations earned through the delivery of services to others.

Accrued expenditures reflect the costs incurred and the need to pay for 1) services performed by employees and others; and 2) goods and other tangible property received and accepted.

C. Financing Sources

1. Appropriations expensed

DOL receives the majority of the funding needed to support its programs through congressional appropriations. A financing source, appropriations expensed, is recognized each fiscal year to the extent these appropriated funds have been consumed. Appropriations expensed does not include appropriations used to purchase capital items. Neither is appropriations expensed recognized for expenses incurred but not yet funded by Congress, such as workers' compensation benefits and annual leave expenses, which are provided for by future funding sources.

2. Reimbursements

A financing source is recognized to the extent reimbursements are payable to DOL from other Federal agencies and from the public, as a result of costs incurred or services performed on their behalf. Reimbursements between DOL agencies and between DOL funds are eliminated. Major sources of reimbursements include:

- ESA reimbursement by other Federal agencies for the majority of the costs of compensation and medical care in the Federal Employees' Compensation Act (FECA) program. A small number of FECA benefit payments are funded by direct appropriation to ESA.
- Unemployment Trust Fund recognition of a financing source from the public to the extent of reimbursements due to the fund from reimbursable employers (non-profit and Federal, state and local government entities) who reimburse the fund for actual benefits paid in lieu of unemployment taxes.

3. Interest, penalties and assessments

Interest is received from Unemployment Trust Fund investments, Longshore and Harbor Workers' Trust Fund investments, District of Columbia Workmen's Compensation Trust Fund investments and Panama Canal Commission Fund investments. Revenue is recognized when the interest is earned.

Penalties assessed against employers for violations of Departmental regulations are recognized as financing sources when amounts become due and payable.

The Longshore and Harbor Workers' and District of Columbia Workmen's Compensation Trust Funds receive revenues from assessments levied on insurance companies and self-insured employers. Assessments are recognized as revenues when levied.

4. Employer taxes

Federal and state unemployment taxes are collected from employers based on wages paid to employees in covered employment. Employer taxes are deposited into separate Federal and state accounts in the Unemployment Trust Fund and used to finance certain unemployment benefits and related administrative expenses. State unemployment taxes are restricted in their use to the payment of unemployment benefits. Employer taxes are payable during the month following the quarter in which the covered wages were earned. Taxes due at fiscal year end, and the resulting tax revenue, are accrued, based on subsequent quarter collections. State unemployment tax revenues were $16.4 billion and $14.1 billion in 1992 and 1991, respectively. Federal unemployment tax revenues were $4.4 billion and $5.2 billion in 1992 and 1991, respectively.

The Black Lung Disability Trust Fund is funded by excise taxes charged to coal mine operators based on the sale of coal. Revenues from coal taxes are recognized on a cash basis, determined by Internal Revenue Service estimates of cash collections, which are adjusted to actual. Revenues from these taxes were $626 million and $652 million in 1992 and 1991, respectively. (See Note1-B.)

5. Other financing sources

Other financing sources include non-expenditure transfers from other Federal agencies, penalties, net of allowance, assessed against employers for OSHA, MSHA and PWBA regulatory violations and child labor penalties.

6. Receipts transferred to Treasury

Penalties collected by OSHA and MSHA, as well as certain miscellaneous receipts collected by ETA ESA and LMS are not available to the agencies for obligation or expenditure, and must be transferred to the general fund of the U.S. Treasury when collected.

D. Expenses

Expenses are presented in the consolidated statement of operations by major program. Presented in Note 11 are the major program expenses for 1992 and 1991 by object class and type.

E. Prior Period Adjustments

Adjustments which relate to prior fiscal periods that are material corrections of errors or result from changes in accounting principles are reflected in the statement of operations, in accordance with OMB Bulletin 93-02.

F. Funds with U.S. Treasury and Cash

DOL cash receipts and disbursements are processed by the U.S. Treasury. The Funds with U.S. Treasury and cash on the consolidated statement of financial position represents appropriated, revolving and trust fund balances available to finance allowable expenditures. (See Note 2).

G. Accounts Receivable, Net of Allowance

The amounts due for receivables are stated net of an allowance for uncollectible accounts. The estimate of the allowance is based on past experience in the collection of the receivables and an analysis of the outstanding balances. (See Note 3).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

H. Advances

Under Title XII of the Social Security Act, funds are advanced from the unemployment trust fund to the State employment security agencies, under direction of the Secretary of Labor, when the States' unemployment account balances have been exhausted. These advances are deposited into the state's account in the Unemployment Trust Fund and are netted against benefit payment expense. Repayments of these advances are made from the state's account in the Unemployment Trust Fund and are netted against employer taxes. Advances made before April 1, 1982 are repayable without interest. Advances made after March 31, 1982 are repayable with interest. The interest rate cannot exceed 10% and is paid based on annual settlements as defined under Section 1202(b)(4) of the Social Security Act.

DOL makes cash payments to other Federal agencies and to grantees and contractors to provide for future DOL program expenditures. These advance payments are recorded as an asset, which is reduced when reports of expenditures are received by DOL, or accrual of cost estimates by DOL are made. (See Note 4).

I. Investments

DOL administers funds which are invested by Treasury in securities of the U.S. government. Funds held for ETA by Treasury in the Unemployment Trust Fund are invested in marketable and non-marketable Treasury securities. Investments are stated at cost and adjusted for amortization of premiums and discounts using the effective interest method. DOL also holds funds for investment in the Longshore and Harbor Workers' Compensation Act, the District of Columbia Workmen's Compensation Act and the Panama Canal Commission Compensation Fund programs. These investments are stated at amortized cost which approximates market, and discounts and premiums are amortized using the straight-line method. The majority of DOL's investments are in non-marketable special issue U.S. Treasury securities, redeemable on demand at their maturity value, which is equivalent to their carrying value in the Consolidated Statement of Financial Position. Special issues may be bought or sold only by Federal government agencies and trust funds. No secondary market exists for these instruments; therefore, no provision is made in the financial statements for unrealized gains or losses. (See Note 5).

J. Resources Transferable to U. S. Treasury

Resources transferable to the U. S. Treasury represent receivables due to DOL which, upon collection are required by law to be transferred to Treasury. Transferable resources consist of fines and penalties assessed by DOL regulatory agencies and grantee and contractor disallowed costs repayable to DOL.

(Dollars in thousands)	1992	1991
Grantee and contractor disallowed costs	$ 16,045	$ 43,318
Fines and penalties	48,494	24,852
	$ 64,539	$ 68,170

K. Property, Plant and Equipment, Net of Depreciation

Property, plant and equipment purchases and additions are stated at cost. The majority of DOL's plant, property and equipment is held by Job Corp centers owned and operated by DOL through a network of contractors. DOL also maintains a departmental property system which accounts for capital equipment used by DOL management. Equipment with a cost greater than $5,000 per unit and a useful life of 2 years or more and internally developed software having a minimum value of $25,000 and a useful life of 2 years or more are capitalized and depreciated. Equipment costing less than $5,000 per unit or having a useful life of less than 2 years, and off the shelf or internally developed software costing less than $25,000 is charged to expense at the time

of purchase. Normal repairs and maintenance are charged to expense as incurred. Construction costs are capitalized as construction-in-progress until completed and are then classified as improvements to either owned or leased facilities.

Leasehold improvements are facility improvements made at contractor-operated Job Corps centers and DOL facilities leased from the General Services Administration. Leasehold improvements are recorded at cost and amortized over their useful lives or the term of the lease, using the straight-line method.

The straight-line method of depreciation is used. Depreciation periods and salvage value for various classes of equipment are established by the General Services Administration. The following table shows the depreciation periods used for the major classes of DOL property, plant and equipment:

	Years
Structure, facilities and improvements	10 - 50
Furniture and equipment	5 - 24
ADP software	3 - 16

Programs administered with DOL funds have acquired real and tangible property in which DOL has a reversionary interest. When this property is disposed of or no longer used for its originally authorized purpose, the reversionary interest entitles DOL to a pro rata share of the proceeds from sale or a pro rata share of the property's fair market value, if the property is retained but no longer used for DOL purposes. The pro rata share is based on the proportionate amount of DOL funds used to acquire the property. The current value of property in which DOL has a reversionary interest is not determinable. (See Note 6).

L. Accrued Unemployment Benefits

Under the unemployment insurance program, benefits are available to unemployed workers who meet state qualifying and eligibility requirements. A claimant's entitlement to unemployment benefits is determined according to wages earned by the claimant during a base period, which generally consists for the first four of five previous quarters worked prior to unemployment. A liability for unemployment benefits was accrued for those benefits paid after September 30, 1992 and 1991, which constituted a claim against the Unemployment Trust Fund at September 30, 1992 and 1991, based on the claimant's base period. This liability for unemployment benefits was calculated by applying the percentage of the claimant's base period worked prior to September 30, 1992 and 1991, to an estimate of subsequent benefit payments for existing claims as of September 30, 1992 and 1991, and for initial claims made during the succeeding six quarters. The liability estimate does not include a provision for initial claims filed during succeeding quarters for reimbursable benefits and emergency benefits which are not funded by employer taxes. Initial claims estimates for the succeeding six quarters are based on specific economic assumptions , including total civilian employment and the unemployment rate, by quarter. The economic assumptions used in the calculation are provided by OMB. These assumptions are used by all agencies in the Executive Branch for the purposes of submitting budget requests and making legislative estimates. (See Note 8).

M. Accrued Annual Leave

Annual leave and compensatory time are accrued as earned. The liability is reduced as leave is taken. At the end of each year, the balance in the annual leave and compensatory time account is adjusted to reflect current wage rates. To the extent current or prior year appropriations are not available to fund annual leave earned but not taken, funding will be obtained from future funding. Sick leave and other types of leave are expensed as taken.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

N. Future Workers' Compensation Benefits

The accompanying financial statements include a provision for the liability for future workers' compensation benefits for each of the programs administered by DOL. The liability estimates for the Black Lung Disability Trust Fund, the Section 10(h) payments for the Longshore and Harbor Workers' Trust Fund, District of Columbia Workmen's Compensation Act Trust Fund, and FECA program have been determined utilizing generally accepted actuarial standards. (See Note 9).

The significant assumptions used by each benefit program in determining the liability are as follows:

1. Black Lung Disability Trust Fund

The Black Lung Disability Trust Fund provides for compensation and medical benefits for eligible coal miners who are disabled due to pneumoconiosis (black lung disease) and their dependents where mine employment terminated prior to 1970, or where no operator can be assigned liability. The Trust Fund is also liable for the cost of administering the program, including repayment of amounts borrowed from Treasury.

The liability for future workers' compensation benefits is calculated as the present value of future benefit payments for the next 45 years. The discount factor applied to each year's projected benefits was determined to equal the program's estimated interest rate on advances from Treasury. These projected interest rates are graded upward from 6.9% in 1993 to 7.3% in 1995 and downward to 7.2% in 1998 and thereafter. Included in the estimated benefit costs are increases in both base salaries relating to compensation benefits and inflation relating to medical benefits. Compensation benefits increases are estimated to be 3.7% in 1993, 2.2% in 1994, 2.5% in 1995, 2.95% in 1996 adjusted to 3.2% in 1997 and thereafter. Medical payment increases are estimated to be 5.7% in 1993, 5.4% in 1994, 5.6% in 1995, 5.7% in 1996 and 5.6% in 1997 and thereafter.

2. Longshore and Harbor Workers' and District of Columbia Workmen's Compensation Act Trust Funds

The Longshore and Harbor Workers' Compensation Act and the District of Columbia Workmen's Compensation Act provide for long-term compensation benefits and medical payments for job-related injuries, diseases, or deaths of private sector workers in certain maritime and related employment, and certain workers in the District of Columbia.

The Federal government provides 50% of the cost-of-living adjustments under the Longshore and Harbor Workers' Compensation Act. The remaining benefits are funded by assessments of self-insured employers and insurance carriers. The liability for future workers' compensation benefits is calculated to be the present value of the future cost-of-living payments plus a provision for future benefit increases on these payments. This liability does not include a provision for future benefit payments which are not funded from Federal sources.

3. Federal Employees' Compensation Act Special Benefit Trust

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to covered Federal civilian employees injured on the job, employees who have incurred a work-related occupational disease and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease.

The liability for future compensation benefits includes the expected liability for death, disability, medical and other approved costs. The liability is determined using the paid-loss extrapolation method. This methodology yields projected annual benefit payments, which have been discounted to present value. Interest rate assumptions utilized for discounting were 5.04% in 1992 graded upward to 7.33% in 1997 and thereafter. The liability includes the estimated future costs of death benefits, workers' compensation, and medical and miscellaneous costs for approved compensation cases for DOL employees and for nonchargeable agencies.

O. Advances from U.S. Treasury

Treasury loans money to DOL's Black Lung Disability Trust Fund to make benefit payments. Financing for these loans is provided through non-expenditure transfers from DOL's appropriation, Advances to the Unemployment Trust Fund and Other Funds. These loans were open and non-interest bearing through September 30, 1990. Effective October 1, 1990, these loans bear interest at rates ranging from 6.5% to 13.875%. In 1992 and 1991, $340.3 and $216.6 million were loaned to the Black Lung Disability Trust Fund.

P. Employee Retirement Plans

Employees hired after December 31, 1983, are automatically covered by the Federal Employees' Retirement System (FERS), implemented on January 1, 1987, while employees hired prior to that date could elect to join either FERS or to remain in the Civil Service Retirement System (CSRS). For employees in FERS, DOL withholds 0.8% of gross earnings, in addition to FICA, and matches the withholding with a 12.9% contribution. The sum is transferred to the Federal Employees' Retirement Fund. For employees covered by CSRS, DOL withholds 7.00% of their gross earnings. This withholding is matched by DOL and the sum of the withholding and the matching is transferred to CSRS.

On April 1, 1987, the Federal government initiated the Thrift Savings Plan, which is a retirement savings and investment plan for employees covered by either FERS or CSRS. FERS participants may contribute up to 10% of their gross pay to the plan. DOL matches up to 50% of the employees' contributions. CSRS participants may contribute up to 5% of their gross pay, but there is no departmental matching contribution. The maximum amount that either FERS or CSRS employees may contribute to the plan, in a calendar year, is $8,728. The sum of employee and departmental contributions is transferred to the Federal Retirement Thrift Investment Board to administer.

DOL does not report on its financial statements FERS or CSRS assets, accumulated plan benefits or unfunded liabilities, if any, applicable to its employees.

DOL's total contributions for employee benefit plans during 1992 and 1991 were as follows:

(Dollars in thousands)	1992	1991
Federal Employees' Retirement System	$ 27,179	$ 22,183
Civil Service Retirement System	38,362	36,070
Social Security	14,573	12,459
Thrift Savings Plan	6,742	5,027
	$ 86,856	**$ 75,739**

Q. Net Position

Each fund balance comprising DOL's net position consists of one or more of the following components:

1. Invested capital

Invested capital represents U.S. Government resources invested in the DOL's assets, principally property, plant and equipment, and other capitalized assets such as leasehold improvements. Increases to invested capital are recorded when assets are acquired with direct appropriations, and decreases occur as a result of the consumption (depreciation) or disposition of capital assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

N. Future Workers' Compensation Benefits - Continued

2. Unexpended appropriations

Unexpended appropriations include the undelivered orders and unobligated balances of DOL's funds. Multi-year appropriations remain available to DOL for obligation in future periods. Pursuant to P.L. 101-510, unobligated balances associated with appropriations that expire at the end of the fiscal year remain available for obligation adjustments, but not new obligations, until that account is closed. Once balances are closed, generally five years after they expire, the amounts are not available for obligation or expenditure for any purpose.

3. Cumulative results of operations

Cumulative results of operations represents the net difference between expenses and losses and financing sources and gains of the Unemployment, Longshore and Harbor Workers' Compensation and District of Columbia Workmen's Compensation Trust Funds and the ETA and Departmental Management revolving funds during the current and prior periods. Cumulative results retained in the revolving fund represent funds needed by ETA grantees to finance costs incurred early in a fiscal year prior to receipt of funds from DOL agencies; and funds needed by the Working Capital Fund for capitalized acquisitions; the annual leave liability of staff financed by the Working Capital Fund that is estimated to be expended in the forthcoming year; and a reserve against the future cost of operations.

4. Future funding requirements

Certain expenses, such as annual leave earned but not taken and current year recognition of net future compensation benefits payable, are not funded from current appropriations, but rather will require funding from future appropriations. Accordingly, net position has been reduced to reflect expenses that will require future funding.

The consolidated net position by fund component for all funds as of September 30, 1992 and 1991 is presented in Note 10.

R. Reclassifications

Certain amounts for 1991 have been reclassified to conform with the 1992 presentation of those amounts.

NOTE 2 - FUNDS WITH U. S. TREASURY AND CASH

Funds with U. S. Treasury and cash at September 30, 1992 and 1991 consisted of the following:

(Dollars in thousands)	1992	1991
Revolving funds	$ 69,518	$ 70,221
Trust funds	543,414	155,026
General (appropriated) funds	6,824,266	6,446,105
	$ 7,437,198	**$ 6,671,352**

NOTE 3 - ACCOUNTS RECEIVABLE, NET OF ALLOWANCE

The primary components of DOL's accounts receivable at September 30, 1992 and 1991 are as follows:

	1992			1991
(Dollars in thousands)	Accounts Receivable	Allowance	Total	Total
Non-Federal				
Delinquent state unemployment taxes	$ 1,777,780	$(1,468,446)	$ 309,334	$ 275,729
Benefit overpayments	1,124,695	(888,322)	236,373	204,830
Accrued Federal and state unemployment taxes	3,497,539	-	3,497,539	3,226,000
Other	477,661	(48,689)	428,972	105,103
	6,877,675	(2,405,457)	4,472,218	3,811,662
Intragovernmental items, Federal				
FECA charges to other Federal agencies for workers' compensation benefits	2,664,029	-	2,664,029	2,505,709
FEC account advances to other Federal agencies for UC benefits	452,424	(78,287)	374,137	205,881
Accrued interest from investments	667,787	-	667,787	992,290
Due from U.S. Treasury for emergency unemployment compensation	2,487,519	-	2,487,519	-
Other	14,998	-	14,998	12,892
	6,286,757	(78,287)	6,208,470	3,716,772
	$13,164,432	**$(2,483,744)**	**$10,680,688**	**$ 7,528,434**

- States reported delinquent unemployment taxes receivable at September 30, 1992 and 1991 due from employers within the states. An allowance for uncollectible taxes has been recorded based on previous collection experience.
- Overpayments of UI benefits represent the amount of benefits that state employment security agencies determined were paid to individuals who were not entitled to receive benefits.
- Accrued Federal and state unemployment taxes are an estimate of taxes due for the quarters ending September 30, 1992 and 1991, payable in October of the respective year.
- FECA charges to other Federal agencies arise from workers' compensation benefits paid by DOL on behalf of other Federal agencies. Funds from collections on receivables due in the current fiscal year are available for payment of workers' compensation benefits. Funds from late payment of receivables revert to the U.S. Treasury.

NOTE 3 - ACCOUNTS RECEIVABLE, NET OF ALLOWANCE - Continued

- FEC account advances represent unemployment benefits paid federal workers and ex-service members from the FEC account within the Unemployment Trust Fund. The FEC account is reimbursed for these payments by the responsible Federal agencies.
- Accrued interest represents interest receivable on investments of the Unemployment, Longshore and District of Columbia Trust Funds and the Panama Canal Commission Compensation Fund.
- The emergency unemployment compensation receivable represents amounts due from the U.S. Treasury to the UTF for emergency unemployment compensation benefits paid during 1992 to individuals based on service with state and local government employers and for emergency unemployment compensation benefits accrued at September 30, 1992.

NOTE 4 - ADVANCES

Advances are comprised of the following at September 30, 1992 and 1991:

(Dollars in thousands)	1992	1991
Non-Federal		
Title XII advances		
Michigan (non-interest bearing)	$ 214,005	$ 417,510
Connecticut	581,086	251,833
Massachusetts	321,752	70,269
District of Columbia	6,597	-
	1,123,440	739,612
Advances to grantees and contractors to finance future DOL program expenditures	212,091	189,989
Other	37,481	91,134
	1,373,012	1,020,735
Intragovernmental items, Federal		
Advances to other Federal agencies	2,302	3,695
	$ 1,375,314	**$ 1,024,430**

NOTE 5 - INVESTMENTS

Investments at September 30, 1992 consisted of the following:

	1992			
(Dollars in thousands)	Cost	Market Value	Discount (Premium)	Net
Unemployment Trust Fund				
Marketable				
U.S. Treasury Bonds				
4.000% maturing 02-15-93	$ 17,500	$ 17,429	$ 11	$ 17,489
4.125% maturing 05-15-94	174,300	174,845	94	174,206
3.500% maturing 11-15-98	43,200	42,997	(1)	43,201
	235,000	235,271	104	234,896
Non-marketable				
Special U.S. Treasury securities				
Certificates of indebtedness				
7.625% maturing 06-30-93	34,775,655	34,775,655	-	34,775,655
7.375% maturing 06-30-93	122,773	122,773	-	122,773
	34,898,428	34,898,428	-	34,898,428
Longshore and Harbor Workers Trust Fund				
Marketable				
U.S. Treasury Bills				
2.730% to 3.160% various maturities	46,580	46,349	231	46,349
District of Columbia Workers Trust Fund				
Marketable				
U.S. Treasury Bills				
2.730% to 3.150% various maturities	5,100	5,079	21	5,079
Panama Canal Commission Trust Fund				
Marketable				
U.S. Treasury Notes				
7.125% to 9.750% various maturities	37,718	38,776	(1,058)	38,776
	$35,222,826	$35,223,903	$ (702)	$35,223,528

NOTE 5 - INVESTMENTS - Continued

Investments as September 30, 1991 consisted of the following:

	1991			
(Dollars in thousands)	Cost	Market Value	Discount (Premium)	Net
Unemployment Trust Fund				
Marketable				
U.S. Treasury Bonds				
4.250% maturing 08-15-92	$ 106,490	$ 102,230	$ 76	$ 106,414
4.000% maturing 02-15-93	17,500	16,877	16	17,484
4.125% maturing 05-15-94	174,300	162,430	272	174,028
3.500% maturing 11-15-98	43,200	40,129	(27)	43,227
	341,490	321,666	337	341,153
Non-marketable				
Special U.S. Treasury securities				
Certificates of indebtedness				
8.38% maturing 06-30-92	47,205,678	47,205,678	-	47,205,678
8.25% maturing 06-30-92	22,064	22,064	-	22,064
	47,227,742	47,227,742	-	47,227,742
Longshore and Harbor Workers' Trust Fund				
Marketable				
U.S. Treasury Bills				
5.140% to 5.360% various maturities	46,860	46,182	678	46,182
District of Columbia Workers' Trust Fund				
Marketable				
U.S. Treasury Bills				
5.146% to 5.310% various maturities	5,530	5,467	63	5,467
Panama Canal Commission Trust Fund				
Marketable				
U.S. Treasury Notes				
7.125% to 12.250% various maturities	28,275	28,773	(458)	28,733
	$47,649,897	**$47,629,830**	**$ 620**	**$47,649,277**

NOTE 6 - PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment consisted of the following at September 30, 1992 and 1991:

	1992			1991
(Dollars in thousands)	Cost or Basis	Accumulated Depreciation/ Amortization	Net Book Value	Net Book Value
Structures, facilities and improvements				
Structures and facilities	$ 148,110	$ 83,568	$ 64,542	$ 47,133
Improvements to owned facilities	179,994	99,655	80,339	76,947
Improvements to leased facilities	125,692	112,272	13,420	24,579
	453,796	295,495	158,301	148,659
Furniture and equipment				
Equipment held by contractors	93,985	84,310	9,675	27,044
Furniture and equipment	50,087	21,119	28,968	51,864
	144,072	105,429	38,643	78,908
ADP software	23,837	10,748	13,089	6,404
Construction-in-progress	12,376	-	12,376	2,296
Land	44,969	-	44,969	45,209
	$ 679,050	**$ 411,672**	**$ 267,378**	**$ 281,476**

NOTE 7 - OTHER FUNDED LIABILITIES

Other liabilities represent unearned revenues for assessments levied but not yet earned and book balance overdrafts in State clearing and benefit payment accounts, as well as anticipated collections of accounts receivable balances from grantees and contractors for disallowed costs, and net penalties receivable and other miscellaneous receipts which will revert to the U.S. Treasury when collected.

At September 30, 1992 and 1991, other liabilities consisted of the following:

(Dollars in thousands)	1992	1991
Non-Federal		
Unearned assessment revenue	$ 27,319	$ 26,371
Overdrafts in benefit payment accounts	351,503	177,954
Other	-	492,717
	378,822	697,042
Intragovernmental items, Federal		
Over-allocation of FUTA, due to U.S. Treasury	967,000	-
Receipts transferrable to U.S. Treasury	64,539	52,207
Railroad Retirement Board	393,576	331,974
Other	4,961	6,242
	1,430,076	390,423
	$ 1,808,898	**$ 1,087,465**

NOTE 8 - ACCRUED UNEMPLOYMENT BENEFITS

Accrued unemployment benefits at September 30, 1992 and 1991, consisted of the following:

(Dollars in thousands)	1992	1991
Accrued state (regular and extended) unemployment benefits	$24,425,605	$24,537,261
Accrued Federal extended unemployment benefits	97,375	86,365
Accrued Federal employees' unemployment benefits	123,036	-
Accrued emergency unemployment benefits	2,769,035	-
	$27,415,051	**$24,623,626**

NOTE 9 - LIABILITY FOR FUTURE WORKERS' COMPENSATION BENEFITS

The accompanying financial statements include a provision and liability for future workers' compensation benefits for each of the benefit programs administered by DOL. The liabilities established at September 30, 1992 and 1991 are as follows:

(Dollars in thousands)	1992	1991
Benefit Program		
Black Lung Disability Trust Fund	$ 5,279,871	$ 5,909,785
Longshore and Harbor Workers' Compensation Act	24,869	26,549
District of Columbia Workmen's Compensation Act	7,853	8,083
Federal Employees' Compensation Act	751,316	771,203
	$ 6,063,909	**$ 6,715,620**

NOTE 9 - LIABILITY FOR FUTURE WORKERS' COMPENSATION BENEFITS - Continued

DOL's liability for future workers' compensation benefits under the Federal Employees' Compensation Act consisted of the projected gross liability of all Federal agencies, reduced to reflect reserve credits (as shown in the table below) which will be charged back to Federal agencies other than DOL. DOL could be contingently liable for these reserve credits in the event that the chargeback agencies are unable to meet their future obligations. DOL's liability for future program benefits in 1992 and 1991 consisted of the following:

(Dollars in thousands)	1992	1991
Projected gross liability for future FECA benefits	$14,814,750	$13,417,611
Less reserve credits		
U.S. Postal Service	4,024,642	3,522,618
Department of Navy	2,079,914	1,921,737
Department of Army	1,399,592	1,371,058
Department of Veterans Affairs	1,173,193	1,025,663
Department of Air Force	991,331	938,368
Department of Transportation	811,647	761,135
Tennessee Valley Authority	571,261	542,659
Department of Treasury	514,519	458,603
Department of Agriculture	459,951	436,358
Department of Justice	324,314	313,260
Department of Interior	352,261	326,796
Department of Health and Human Services	282,145	239,012
Department of Defense	398,246	178,575
General Services Administration	138,680	119,779
Department of Commerce	93,542	90,297
Department of Energy	44,643	40,805
Department of State	27,402	22,691
Department of Housing & Urban Development	33,555	32,116
Department of Education	3,830	4,615
Other	338,766	300,263
	14,063,434	12,646,408
Department of Labor[1]	**$ 751,316**	**$ 771,203**

(1)Includes $601,314 (thousands) in 1992 and $614,958 (thousands) in 1991 not chargeable to other agencies.

NOTE 10 - NET POSITION

DOL's net position by fund balance at September 30, 1992 was comprised of the following:

	1992			
(Dollars in thousands)	Revolving Fund	Trust Fund	General Fund	Total
Unexpended appropriations				
Unobligated balance	$ -	$ -	$ 2,675,847	$ 2,675,847
Undelivered orders	-	-	3,978,410	3,978,410
Total unexpended appropriations	-	-	6,654,257	6,654,257
Invested capital	7,334	-	260,044	267,378
Cumulative results of operations				
Unemployment Trust Fund				
Federal accounts	-	7,434,170	-	7,434,170
State accounts	-	7,659,969	-	7,659,969
	-	15,094,139	-	15,094,139
Longshore and Harbor Workers' Trust Fund	-	24,126	-	24,126
District of Columbia Workers' Trust Fund	-	1,363	-	1,363
Other	65,478	1,573	-	67,051
Total cumulative results	65,478	15,121,201	-	15,186,679
Total fund balance	72,812	15,121,201	6,914,301	22,108,314
Future funding requirements				
Actuarial liabilities	-	5,279,871	784,038	6,063,909
Accrued annual leave	1,534	-	63,838	65,372
Other unfunded liabilities	-	-	11,491	11,491
Advances from U. S. Treasury	-	3,606,032	-	3,606,032
Total unfunded liabilities	1,534	8,885,903	859,367	9,746,804
Offsetting assets	-	(74,271)	(2,683,068)	(2,757,339)
Total future funding requirements	1,534	8,811,632	(1,823,701)	6,989,465
	$ 71,278	$ 6,309,569	$ 8,738,002	$15,118,849

NOTE 10 - NET POSITION - Continued

DOL's net position by fund balance at September 30, 1991 was comprised of the following:

	1991			
(Dollars in thousands)	Revolving Fund	Trust Fund	General Fund	Total
Unexpended appropriations				
Unobligated balance	$ -	$ -	$ 2,245,096	$ 2,245,096
Undelivered orders	-	-	3,921,310	3,921,310
Total unexpended appropriations	-	-	6,166,406	6,166,406
Invested capital	1,631	112	279,734	281,477
Cumulative results of operations				
Unemployment Trust Fund				
Federal accounts	-	16,135,770	-	16,135,770
State accounts	-	11,922,893	-	11,922,893
	-	28,058,663	-	28,058,663
Longshore and Harbor Workers' Trust Fund	-	26,266	-	26,266
District of Columbia Workers' Trust Fund	-	2,006	-	2,006
Other	63,001	1,132	-	64,133
Total cumulative results	63,001	28,088,067	-	28,151,068
Total fund balance	64,632	28,088,179	6,446,140	34,598,951
Future funding requirements				
Actuarial liabilities	-	5,909,785	805,835	6,715,620
Accrued annual leave	-	-	93,752	93,752
Advances from U. S. Treasury	-	3,265,703	-	3,265,703
Total unfunded liabilities	-	9,175,488	899,587	10,075,075
Offsetting assets	-	(76,284)	(2,586,403)	(2,662,687)
Total future funding requirements	-	9,099,204	(1,686,816)	7,412,388
	$ 64,632	$18,988,975	$ 8,132,956	$ 27,186,563

NOTE 11 - EXPENSES BY OBJECT CLASS AND TYPE

Expenses are presented in the consolidated statement of operations by major program. Presented below are the major program expenses for 1992 and 1991 by object class and type.

(Dollars in thousands)	1992	1991
1. Expenses by object classification		
Personnel and benefits	$ 912,764	$ 781,894
Travel and transportation	46,366	43,597
Communications, utilities and rentals	274,134	228,456
Other services	317,198	297,004
Supplies, materials and small equipment	15,685	30,529
Grants, subsidies and contributions	8,348,698	7,380,696
Interest	349,992	332,659
Benefits and other payments	40,527,436	29,710,538
Depreciation and amortization	42,401	77,927
Bad debts	300,138	(66,437)
	$51,134,812	$38,816,863
2. Expenses by type		
Operating	$10,257,384	$ 8,773,666
Benefit payments	40,527,436	29,710,538
Interest	349,992	332,659
	$51,134,812	**$38,816,863**

NOTE 12 - BUDGETARY RESOURCES AND OBLIGATIONS

To facilitate comparison to expenses, budgetary resources and obligations are presented on a comparable net basis. Gross budgetary resources and obligations are reconciled below:

	1992		
		Obligations	
(Dollars in thousands)	Resources	Direct	Reimbursed
Total budgetary resources and obligations per Standard Form 133	$98,478,698	$50,076,207	$ 6,834,900
Less: Expense eliminations	2,028,258	(1,577,768)	3,606,026
Net allocations to Federal agencies	140,327	112,905	74,226
Pension Benefit Guaranty Corporation	3,732,900	(724,968)	1,491,327
Differences between Treasury and DOL reporting for the Unemployment Trust Fund and the Black Lung Trust Fund	1,426,151	2,095,814	6,804
Other	1,648	1,626	-
	7,329,284	(92,391)	5,178,383
Total budgetary resources and obligations per financial statements	**$91,149,414**	**$50,168,598**	**$ 1,656,517**

NOTE 13 - SUBSEQUENT EVENTS

In March 1993, the Emergency Unemployment Compensation Program, which provides benefits to unemployed workers who have exhausted their unemployment benefits under existing programs, was extended from March 6, 1993 to October 2, 1993. The cost of this extension has been estimated to be $4 billion.

U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - ALL FUND TYPES
AS OF SEPTEMBER 30, 1992

(Dollars in thousands)	Revolving Fund	Trust Fund	General Fund	Eliminations	Total
ASSETS					
Financial resources					
Funds with U. S. Treasury and cash	$ 69,518	$ 543,414	$ 6,824,266	$ 0	$ 7,437,198
Accounts receivable, net of allowance	12	4,434,382	37,824	0	4,472,218
Advances	16	1,123,510	249,486	0	1,373,012
Intragovernmental items, Federal					
Accounts receivable, net of allowance	2,379	3,547,528	3,155,613	(497,050)	6,208,470
Investments	0	35,184,752	38,776	0	35,223,528
Advances	0	0	2,342	(40)	2,302
Total financial resources	71,925	44,833,586	10,308,307	(497,090)	54,716,728
Non-financial resources					
Resources transferable to U.S. Treasury	0	0	64,539	0	64,539
Property, plant and equipment, net of depreciation	7,335	0	260,043	0	267,378
Total non-financial resources	7,335	0	324,582	0	331,917
Total Assets	$ 79,260	$ 44,833,586	$ 10,632,889	$ (497,090)	$ 55,048,645

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U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - ALL FUND TYPES
AS OF SEPTEMBER 30, 1992

(Dollars in thousands)	Revolving Fund	Trust Fund	General Fund	Eliminations	Total
LIABILITIES AND NET POSITION					
Funded liabilities					
Accounts payable	$ 2,657	$ 5,296	$ 917,556	$ 0	$ 925,509
Accrued payroll and benefits	1,652	0	28,088	0	29,740
Accrued unemployment benefits	0	27,415,051	0	0	27,415,051
Other funded liabilities	0	378,822	0	0	378,822
Intragovernmental liabilities, Federal					
Accounts payable	265	55	3,474	0	3,794
Other funded liabilities	1,874	1,838,890	85,744	(496,432)	1,430,076
Total funded liabilities	6,448	29,638,114	1,034,862	(496,432)	30,182,992
Unfunded liabilities					
Accrued leave	1,534	0	63,838	0	65,372
Future workers' compensation benefits	0	5,279,871	784,038	0	6,063,909
Advances from U.S. Treasury	0	3,606,032	0	0	3,606,032
Other unfunded liabilities	0	0	12,149	(658)	11,491
Total unfunded liabilities	1,534	8,885,903	860,025	(658)	9,746,804
Total liabilities	7,982	38,524,017	1,894,887	(497,090)	39,929,796
Net position					
Revolving fund balances	72,812	0	0	0	72,812
Trust fund balances	0	15,121,201	0	0	15,121,201
Appropriated fund balances	0	0	6,914,301	0	6,914,301
Total fund balances	72,812	15,121,201	6,914,301	0	22,108,314
Less future funding requirements	1,534	8,811,632	(1,823,701)	0	6,989,465
Total net position	71,278	6,309,569	8,738,002	0	15,118,849
Total Liabilities and Net Position	$ 79,260	$ 44,833,586	$ 10,632,889	$ (497,090)	$ 55,048,645

U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF OPERATIONS - ALL FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1992

(Dollars in thousands)	Revolving Fund	Trust Fund	General Fund	Eliminations	Total
FINANCING SOURCES					
Appropriations expensed	$ 0	$ 3,930,519	$ 8,231,190	$ (1,949,447)	$ 10,212,262
Reimbursements from other Federal agencies	80,976	936,153	5,082,240	(3,654,783)	2,444,586
Reimbursements from the public	284	998,279	5,274	0	1,003,837
Interest, penalties and assessments	0	3,494,262	2,372	0	3,496,634
Employer taxes	0	21,451,509	0	0	21,451,509
Other	0	2,126	190,638	0	192,764
Less receipts to be transferred to Treasury	0	0	(184,627)	0	(184,627)
Total financing sources	81,260	30,812,848	13,327,087	(5,604,230)	38,616,965
EXPENSES BY PROGRAM					
Income maintenance	0	39,662,896	6,371,396	(1,894,853,	44,139,439
Employment and training	0	0	5,539,117	0	5,539,117
Labor, employment and pension standards	0	0	244,475	0	244,475
Worker safety and health	0	377	482,124	0	482,501
Statistics	0	0	325,742	0	325,742
Other departmental programs	81,453	42	402,924	(80,881)	403,538
Total expenses	81,453	39,663,315	13,365,778	(1,975,734)	51,134,812
Shortage of financing sources over total expenses before adjustments	(193)	(8,850,467)	(38,691)	(3,628,496)	(12,517,847)
Prior period adjustments	6,839	(200,332)	217,043	0	23,550
Excess (shortage) of financing sources over total expenses	6,646	(9,050,799)	178,352	(3,628,496)	(12,494,297)
Unfunded expenses	0	(287,572)	(178,352)	0	(465,924)
Excess (shortage) of financing sources over funded expenses	$ 6,646	$ (9,338,371)	$ 0	$ (3,628,496)	$ (12,960,221)

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U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE CHANGES IN NET POSITION - ALL FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1992

(Dollars in thousands)	Revolving Fund	Trust Fund	General Fund	Eliminations	Total
Net Position, Beginning Balance	$ 64,632	$ 18,988,975	$ 8,132,956	$ 0	$ 27,186,563
Excess (shortage) of financing sources over total expenses	6,646	(9,050,799)	178,352	(3,628,496)	(12,494,297)
Increase in unexpended appropriations	(5,704)	0	457,876	0	452,172
Increase (decrease) in capitalized appropriations	5,704	(111)	(31,182)	0	(25,589)
Transfers	0	(3,628,496)	0	3,628,496	0
Net Position, Ending Balance	$ 71,278	$ 6,309,569	$ 8,738,002	$ 0	$ 15,118,849

U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - REVOLVING FUNDS
AS OF SEPTEMBER 30, 1992

(Dollars in thousands)	Advances to the Employment Security Administration Account in the UTF	Working Capital Fund	Total
ASSETS			
Financial resources			
Funds with U. S. Treasury and cash	$ 56,336	$ 13,182	$ 69,518
Accounts receivable, net of allowance	0	12	12
Advances	0	16	16
Intragovernmental items, Federal			
Accounts receivable, net of allowance	0	2,379	2,379
Investments	0	0	0
Advances	0	0	0
Total financial resources	56,336	15,589	71,925
Non-financial resources			
Resources transferable to U.S. Treasury	0	0	0
Property, plant and equipment, net of depreciation	0	7,335	7,335
Total non-financial resources	0	7,335	7,335
Total Assets	$ 56,336	$ 22,924	$ 79,260

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U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - REVOLVING FUNDS
AS OF SEPTEMBER 30, 1992

(Dollars in thousands)	Advances to the Employment Security Administration Account in the UTF	Working Capital Fund	Total
LIABILITIES AND NET POSITION			
Funded liabilities			
Accounts payable	$ 0	$ 2,657	$ 2,657
Accrued payroll and benefits	0	1,652	1,652
Accrued unemployment benefits	0	0	0
Other funded liabilities	0	0	0
Intragovernmental liabilities, Federal			
Accounts payable	0	265	265
Other funded liabilities	0	1,874	1,874
Total funded liabilities	0	6,448	6,448
Unfunded liabilities			
Accrued leave	0	1,534	1,534
Future workers' compensation benefits	0	0	0
Advances from U.S. Treasury	0	0	0
Other unfunded liabilities	0	0	0
Total unfunded liabilities	0	1,534	1,534
Total liabilities	0	7,982	7,982
Net position			
Revolving fund balances	56,336	16,476	72,812
Trust fund balances	0	0	0
Appropriated fund balances	0	0	0
Total fund balances	56,336	16,476	72,812
Less future funding requirements	0	1,534	1,534
Total net position	56,336	14,942	71,278
Total Liabilities and Net Position	$ 56,336	$ 22,924	$ 79,260

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U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF OPERATIONS - REVOLVING FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 1992

(Dollars in thousands)	Advances to the Employment Security Administration Account in the UTF	Working Capital Fund	Total
FINANCING SOURCES			
Appropriations expensed	$ 0	$ 0	$ 0
Reimbursements from other Federal agencies	0	80,976	80,976
Reimbursements from the public	0	284	284
Interest, penalties and assessments	0	0	0
Employer taxes	0	0	0
Other	0	0	0
Less: Receipts to be transferred to Treasury	0	0	0
Total financing sources	0	81,260	81,260
EXPENSES BY PROGRAM			
Income maintenance	0	0	0
Employment and training	0	0	0
Labor, employment and pension standards	0	0	0
Worker safety and health	0	0	0
Statistics	0	0	0
Other departmental programs	0	81,453	81,453
Total expenses	0	81,453	81,453
Shortage of financing sources over total expenses before adjustments	0	(193)	(193)
Prior period adjustments	0	6,839	6,839
Excess of financing sources over total expenses	0	6,646	6,646
Unfunded expenses	0	0	0
Excess of financing sources over funded expenses	$ 0	$ 6,646	$ 6,646

U.S. DEPARTMENT OF LABOR

CONSOLIDATING SCHEDULE OF CHANGE IN NET POSITION - REVOLVING FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 1992

(Dollars in thousands)	Advances to the Employment Security Administration Account in the UTF	Working Capital Fund	Total
Net Position, Beginning Balance	$ 56,336	$ 8,296	$ 64,632
Excess of financing sources over total expenses	0	6,646	6,646
Increase in unexpended appropriations	0	(5,704)	(5,704)
Increase in capitalized appropriations	0	5,704	5,704
Transfers	0	0	0
Net Position, Ending Balance	$ 56,336	$ 14,942	$ 71,278

U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - GENERAL FUNDS
AS OF SEPTEMBER 30, 1992

(Dollars in thousands)	Salaries and Expenses	Training and Employment Services	State UI and ES Operations	Federal Employees Workers' Compensation	Other	Eliminations	Total
ASSETS							
Financial resources							
Funds with U. S. Treasury and cash	$ 325,148	$ 4,920,216	$ 258,931	$ 298,360	$ 1,021,611	$ 0	$ 6,824,266
Accounts receivable, net of allowance	14,248	3,765	103	19,697	11	0	37,824
Advances	7,432	143,074	71,150	0	27,830	0	249,486
Intragovernmental items, Federal							
Accounts receivable, net of allowance	7,253	32	478,757	2,714,806	5,542	(50,777)	3,155,613
Investments	0	0	0	0	38,776	0	38,776
Advances	36	0	2,306	0	0	0	2,342
Total financial resources	354,117	5,067,087	811,247	3,032,863	1,093,770	(50,777)	10,308,307
Non-financial resources							
Resources transferable to U.S. Treasury	48,494	16,045	0	0	0	0	64,539
Property, plant and equipment, net of depreciation	63,545	196,424	74	0	0	0	260,043
Total non-financial resources	112,039	212,469	74	0	0	0	324,582
Total Assets	$ 466,156	$ 5,279,556	$ 811,321	$ 3,032,863	$ 1,093,770	$ (50,777)	$ 10,632,889

U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - GENERAL FUNDS
AS OF SEPTEMBER 30, 1992

(Dollars in thousands)	Salaries and Expenses	Training and Employment Services	State UI and ES Operations	Federal Employees Workers' Compensation	Other	Eliminations	Total
LIABILITIES AND NET POSITION							
Funded liabilities							
Accounts payable	$ 93,947	$ 533,252	$ 258,968	$ 0	$ 31,389	$ 0	$ 917,556
Accrued payroll and benefits	28,035	53	0	0	0	0	28,088
Accrued unemployment benefits	0	0	0	0	0	0	0
Other funded liabilities	0	0	0	0	0	0	0
Intragovernmental liabilities, Federal							
Accounts payable	3,312	73	0	0	89	0	3,474
Other funded liabilities	69,325	15,991	428	0	0	0	85,744
Total funded liabilities	194,619	549,369	259,396	0	31,478	0	1,034,862
Unfunded liabilities							
Accrued leave	63,725	113	0	0	0	0	63,838
Future workers' compensation benefits	94,474	8,907	0	634,036	46,621	0	784,038
Advances from U.S. Treasury	0	0	0	0	0	0	0
Other unfunded liabilities	47,328	8,662	0	0	6,936	(50,777)	12,149
Total unfunded liabilities	205,527	17,682	0	634,036	53,557	(50,777)	860,025
Total liabilities	400,146	567,051	259,396	634,036	85,035	(50,777)	1,894,887
Net position							
Revolving fund balances	0	0	0	0	0	0	0
Trust fund balances	0	0	0	0	0	0	0
Appropriated fund balances	271,537	4,730,187	551,925	298,360	1,062,292	0	6,914,301
Total fund balances	271,537	4,730,187	551,925	298,360	1,062,292	0	6,914,301
Less future funding requirements	205,527	17,682	0	(2,100,467)	53,557	0	(1,823,701)
Total net position	66,010	4,712,505	551,925	2,398,827	1,008,735	0	8,738,002
Total Liabilities and Net Position	$ 466,156	$ 5,279,556	$ 811,321	$ 3,032,863	$ 1,093,770	$ (50,777)	$ 10,632,889

U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF OPERATIONS - GENERAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 1992

(Dollars in thousands)	Salaries and Expenses	Training and Employment Services	State UI and ES Operations	Federal Employees Workers' Compensation	Other	Eliminations	Total
FINANCING SOURCES							
Appropriations expensed	$ 1,485,922	$ 4,214,087	$ 32,634	$ 218,204	$ 2,280,343	$ 0	$ 8,231,190
Reimbursements from other Federal agencies	180,923	400	3,194,951	1,698,241	33,316	(25,591)	5,082,240
Reimbursements from the public	4,460	814	0	0	0	0	5,274
Interest, penalties and assessments	0	0	0	0	2,372	0	2,372
Employer taxes	0	0	0	0	0	0	0
Other	153,778	30,813	0	6,047	0	0	190,638
Less receipts to be transferred to Treasury	(153,814)	(30,813)	0	0	0	0	(184,627)
Total financing sources	1,671,269	4,215,301	3,227,585	1,922,492	2,316,031	(25,591)	13,327,087
EXPENSES BY PROGRAM							
Income maintenance	160,778	0	2,601,552	1,743,505	1,891,152	(25,591)	6,371,396
Employment and training	64,674	4,300,911	771,636	0	401,896	0	5,539,117
Labor, employment and pension standards	244,475	0	0	0	0	0	244,475
Worker safety and health	482,124	0	0	0	0	0	482,124
Statistics	325,742	0	0	0	0	0	325,742
Other departmental programs	402,924	0	0	0	0	0	402,924
Total expenses	1,680,717	4,300,911	3,373,188	1,743,505	2,293,048	(25,591)	13,365,778
Excess (shortage) of financing sources over total expenses before adjustments	(9,448)	(85,610)	(145,603)	178,987	22,983	0	(38,691)
Prior period adjustments	(12,709)	82,718	145,603	2,181	(750)	0	217,043
Excess (shortage) of financing sources over total expenses	(22,157)	(2,892)	0	181,168	22,233	0	178,352
Unfunded expenses	22,157	2,892	0	(181,168)	(22,233)	0	(178,352)
Excess of financing sources over funded expenses	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

U.S. DEPARTMENT OF LABOR

CONSOLIDATING SCHEDULE OF CHANGE IN NET POSITION - GENERAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 1992

(Dollars in thousands)	Salaries and Expenses	Training and Employment Services	State UI and ES Operations	Federal Employees Workers' Compensation	Other	Eliminations	Total
Net Position, Beginning Balance	$ 112,483	$ 4,564,671	$ 346,995	$ 2,243,838	$ 864,969	$ 0	$ 8,132,956
Excess (shortage) of financing sources over total expenses	(22,157)	(2,892)	0	181,168	22,233	0	178,352
Increase (decrease) in unexpended appropriations	(11,759)	164,441	209,840	(26,179)	121,533	0	457,876
Decrease in capitalized appropriations	(12,557)	(13,715)	(4,910)	0	0	0	(31,182)
Transfers	0	0	0	0	0	0	0
Net Position, Ending Balance	$ 66,010	$ 4,712,505	$ 551,925	$ 2,398,827	$ 1,008,735	$ 0	$ 8,738,002

U.S. DEPARTMENT OF LABOR

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - TRUST FUNDS

AS OF SEPTEMBER 30, 1992

(Dollars in thousands)	Unemployment	Longshore and Harbor Workers	District of Columbia Worker	Black Lung Disability	Hazardous Substances	Gifts and Bequests	Total
ASSETS							
Financial resources							
Funds with U. S. Treasury and cash	$ 536,496	$ 656	$ 340	$ 4,085	$ 1,748	$ 89	$ 543,414
Accounts receivable, net of allowance	4,358,850	4,530	816	70,186	0	0	4,434,382
Advances	1,123,440	0	0	0	0	70	1,123,510
Intragovernmental items, Federal							
Accounts receivable, net of allowance	3,547,473	55	0	0	0	0	3,547,528
Investments	35,133,324	46,349	5,079	0	0	0	35,184,752
Advances	0	0	0	0	0	0	0
Total financial resources	44,699,583	51,590	6,235	74,271	1,748	159	44,833,586
Non-financial resources							
Resources transferable to U.S. Treasury	0	0	0	0	0	0	0
Property, plant and equipment, net of depreciation	0	0	0	0	0	0	0
Total non-financial resources	0	0	0	0	0	0	0
Total Assets	$ 44,699,583	$ 51,590	$ 6,235	$ 74,271	$ 1,748	$ 159	$ 44,833,586

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U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - TRUST FUNDS
AS OF SEPTEMBER 30, 1992

(Dollars in thousands)	Unemployment	Longshore and Harbor Workers	District of Columbia Worker	Black Lung Disability	Hazardous Substances	Gifts and Bequests	Total
LIABILITIES AND NET POSITION							
Funded liabilities							
Accounts payable	$ 0	$ 2,778	$ 2,184	$ 0	$ 334	$ 0	$ 5,296
Accrued payroll and benefits	0	0	0	0	0	0	0
Accrued unemployment benefits	27,415,051	0	0	0	0	0	27,415,051
Other funded liabilities	351,503	24,686	2,633	0	0	0	378,822
Intragovernmental liabilities, Federal							
Accounts payable	0	0	55	0	0	0	55
Other funded liabilities	1,838,890	0	0	0	0	0	1,838,890
Total funded liabilities	29,605,444	27,464	4,872	0	334	0	29,638,114
Unfunded liabilities							
Accrued leave	0	0	0	0	0	0	0
Future workers' compensation benefits	0	0	0	5,279,871	0	0	5,279,871
Advances from U.S. Treasury	0	0	0	3,606,032	0	0	3,606,032
Other unfunded liabilities	0	0	0	0	0	0	0
Total unfunded liabilities	0	0	0	8,885,903	0	0	8,885,903
Total liabilities	29,605,444	27,464	4,872	8,885,903	334	0	38,524,017
Net position							
Revolving fund balances	0	0	0	0	0	0	0
Trust fund balances	15,094,139	24,126	1,363	0	1,414	159	15,121,201
Appropriated fund balances	0	0	0	0	0	0	0
Total fund balances	15,094,139	24,126	1,363	0	1,414	159	15,121,201
Less future funding requirements	0	0	0	8,811,632	0	0	8,811,632
Total net position	15,094,139	24,126	1,363	(8,811,632)	1,414	159	6,309,569
Total Liabilities and Net Position	$ 44,699,583	$ 51,590	$ 6,235	$ 74,271	$ 1,748	$ 159	$ 44,833,586

U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF OPERATIONS - TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 1992

(Dollars in thousands)	Unemployment	Longshore and Harbor Workers	District of Columbia Worker	Black Lung Disability	Hazardous Substances	Gifts and Bequests	Total
FINANCING SOURCES							
Appropriations expensed	$ 3,930,519	$ 0	$ 0	$ 0	$ 0	$ 0	$ 3,930,519
Reimbursements from other Federal agencies	936,153	0	0	0	0	0	936,153
Reimbursements from the public	998,279	0	0	0	0	0	998,279
Interest, penalties and assessments	3,380,444	100,118	10,695	3,005	0	0	3,494,262
Employer taxes	20,825,174	0	0	626,335	0	0	21,451,509
Other	0	0	0	1,267	698	161	2,126
Less receipts to be transferred to Treasury	0	0	0	0	0	0	0
Total financing sources	30,070,569	100,118	10,695	630,607	698	161	30,812,848
EXPENSES BY PROGRAM							
Income maintenance	39,208,508	100,015	11,338	343,035	0	0	39,662,896
Employment and training	0	0	0	0	0	0	0
Labor, employment and pension standards	0	0	0	0	0	0	0
Worker safety and health	0	0	0	0	377	0	377
Statistics	0	0	0	0	0	0	0
Other departmental programs	0	0	0	0	0	42	42
Total expenses	39,208,508	100,015	11,338	343,035	377	42	39,663,315
Excess (shortage) of financing sources over total expenses before adjustments	(9,137,939)	103	(643)	287,572	321	119	(8,850,467)
Prior period adjustments	(198,089)	(2,243)	0	0	0	0	(200,332)
Excess (shortage) of financing sources over total expenses	(9,336,028)	(2,140)	(643)	287,572	321	119	(9,050,799)
Unfunded expenses	0	0	0	(287,572)	0	0	(287,572)
Excess (shortage) of financing sources over funded expenses	$ (9,336,028)	$ (2,140)	$ (643)	$ 0	$ 321	$ 119	$ (9,338,371)

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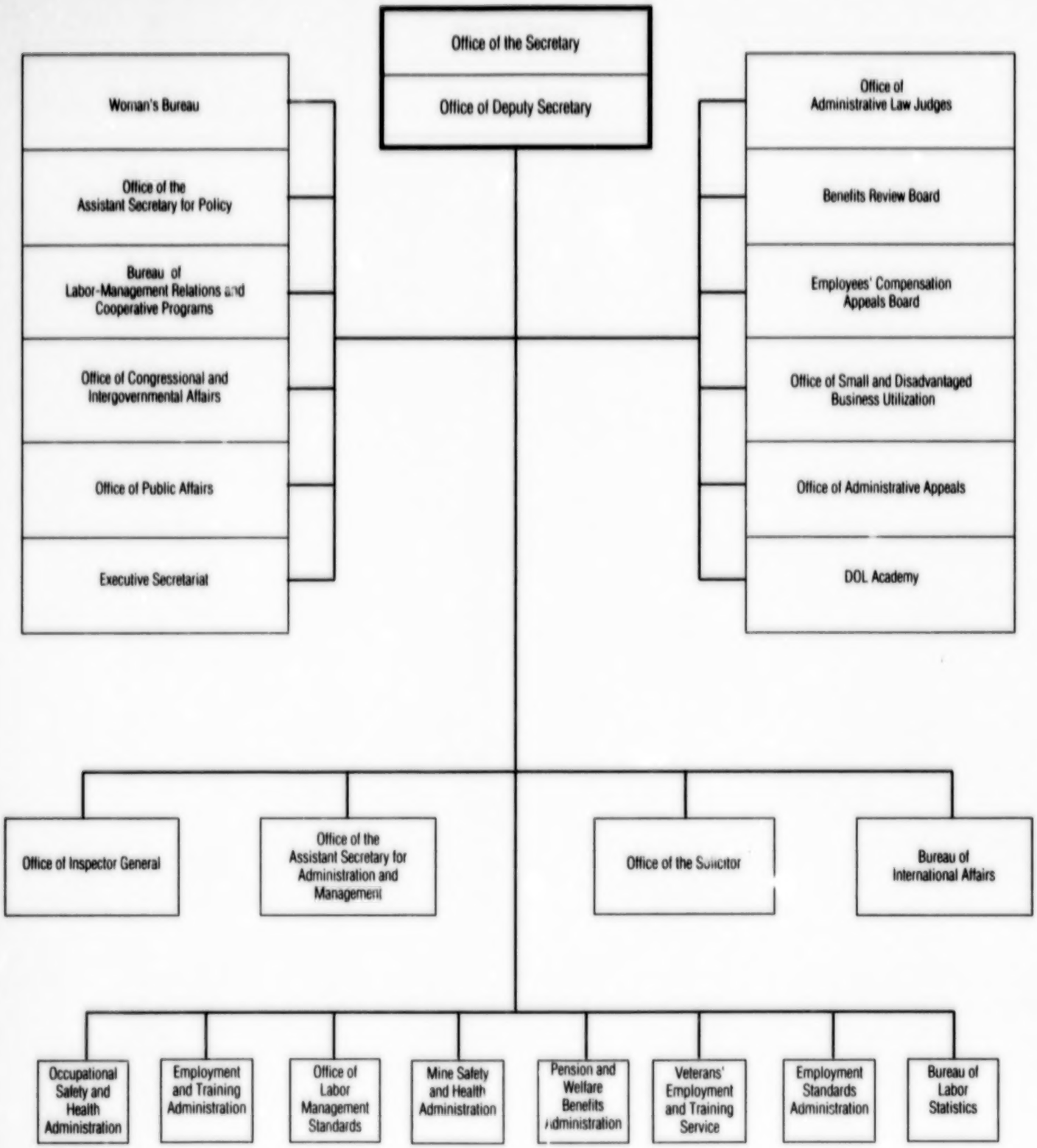
U.S. DEPARTMENT OF LABOR
CONSOLIDATING SCHEDULE OF CHANGE IN NET POSITION - TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 1992

(Dollars in thousands)	Unemployment	Longshore and Harbor Workers	District of Columbia Worker	Black Lung Disability	Hazardous Substances	Gifts and Bequests	Total
Net Position, Beginning Balance	$ 28,058,663	$ 26,266	$ 2,006	$ (9,099,204)	$ 1,204	$ 40	$ 18,988,975
Excess (shortage) of financing sources over total expenses	(9,336,028)	(2,140)	(643)	287,572	321	119	(9,050,799)
Increase in unexpended appropriations	0	0	0	0	0	0	0
Decrease in capitalized appropriations	0	0	0	0	(111)	0	(111)
Transfers	(3,628,496)	0	0	0	0	0	(3,628,496)
Net Position, Ending Balance	$ 15,094,139	$ 24,126	$ 1,363	$ (8,811,632)	$ 1,414	$ 159	$ 6,309,569


Office of the Secretary
Office of Deputy Secretary
Woman's Bureau
Office of the Assistant Secretary for Policy
Bureau of Labor-Management Relations and Cooperative Programs
Office of Congressional and Intergovernmental Affairs
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Executive Secretariat
Office of Administrative Law Judges
Benefits Review Board
Employees' Compensation Appeals Board
Office of Small and Disadvantaged Business Utilization
Office of Administrative Appeals
DOL Academy
Office of Inspector General
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Office of the Solicitor
Bureau of International Affairs
Occupational Safety and Health Administration
Employment and Training Administration
Office of Labor Management Standards
Mine Safety and Health Administration
Pension and Welfare Benefits Administration
Veterans' Employment and Training Service
Employment Standards Administration
Bureau of Labor Statistics

END

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